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# Congressional Record

## SEVENTY-FIFTH CONGRESS, SECOND SESSION

### SENATE

WEDNESDAY, DECEMBER 8, 1937

(Legislative day of Tuesday, November 16, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

#### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, December 7, 1937, was dispensed with, and the Journal was approved.

#### CALL OF THE ROLL

Mr. LEWIS. Mr. President, before proceedings with the bill under consideration, it is necessary to have a quorum. I therefore suggest the absence of one, and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	La Follette	Pittman
Andrews	Davis	Lee	Pope
Ashurst	Dieterich	Lewis	Radcliffe
Austin	Donahay	Lodge	Reynolds
Bailey	Duffy	Logan	Russell
Bankhead	Ellender	Lonergan	Schwartz
Barkley	Frazier	Lundeen	Schwellenbach
Berry	George	McAdoo	Sheppard
Bilbo	Gerry	McCarran	Shipstead
Borah	Gibson	McGill	Smith
Bridges	Gillette	McKellar	Steiwer
Brown, Mich.	Glass	McNary	Thomas, Okla.
Brown, N. H.	Graves	Maloney	Thomas, Utah
Bulkeley	Guffey	Miller	Townsend
Bulow	Harrison	Minton	Truman
Burke	Hatch	Moore	Tydings
Byrd	Hayden	Murray	Vandenberg
Byrnes	Herring	Neely	Van Nuys
Capper	Hitchcock	Norris	Wagner
Caraway	Holt	Nye	Walsh
Chavez	Johnson, Calif.	O'Mahoney	
Clark	Johnson, Colo.	Overton	
Connally	King	Pepper	

Mr. LEWIS. I announce for the RECORD that the Senator from Washington [Mr. BONE] and the Senator from Delaware [Mr. HUGHES] are detained by illness.

The Senator from New Jersey [Mr. SMATHERS] is detained by illness in his family.

The Senator from Rhode Island [Mr. GREEN] and the Senator from Montana [Mr. WHEELER] are necessarily detained from the Senate.

Mr. AUSTIN. I have been requested to announce that the senior Senator from Maine [Mr. HALE] is absent for the same reason stated yesterday.

The VICE PRESIDENT. Eighty-nine Senators having answered to their names, a quorum is present.

#### REPORT OF THE SECRETARY OF COMMERCE

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Commerce, transmitting, pursuant to law, his annual report for the fiscal year ended June 30, 1937, which, with the accompanying report, was referred to the Committee on Commerce.

#### REPORT OF RECONSTRUCTION FINANCE CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the Chairman and secretary of the Reconstruction Finance Corporation, reporting, pursuant to law, relative to the operations of the Corporation for the third quarter of 1937, and for the period from the organization of the

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Corporation on February 2, 1932, to September 30, 1937, inclusive, which, with the accompanying papers, was referred to the Committee on Banking and Currency.

#### PETITION AND MEMORIALS

Mr. COPELAND presented a memorial of sundry citizens of Hudson, N. Y., remonstrating against the making of reciprocal-trade agreements with European countries pertaining to textiles and shoes, and favoring a protective tariff on such goods, which was referred to the Committee on Finance.

He also presented the memorial of members of Allegany County (N. Y.) Pomona Grange, Patrons of Husbandry, remonstrating against the enactment of the so-called Black-Connery wages-and-hours bill or any similar measure, which was ordered to lie on the table.

He also presented a petition of sundry citizens of New York City, N. Y., praying for the enactment of the bill (H. R. 1507) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching, which was ordered to lie on the table.

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. OVERTON:

A bill (S. 3106) granting an increase of pension to Jennie Stubbs; to the Committee on Pensions.

By Mr. ANDREWS:

A bill (S. 3107) to amend the Inland Waterways Corporation Act, approved June 3, 1924, as amended, authorizing the Secretary of War to extend the services and operations of the Inland Waterways Corporation to Pensacola, Fla.; to the Committee on Commerce.

By Mr. CONNALLY:

A bill (S. 3108) for the relief of W. Connally Baldwin (with accompanying papers); to the Committee on Claims.

By Mr. JOHNSON of Colorado:

A bill (S. 3109) for the relief of the widow of Joseph C. Akin; to the Committee on Claims.

#### AGRICULTURAL RELIEF—AMENDMENTS

Mr. POPE submitted an amendment intended to be proposed by him to the bill (S. 2787) to provide an adequate and balanced flow of the major agricultural commodities in interstate and foreign commerce, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. THOMAS of Oklahoma submitted an amendment intended to be proposed by him to Senate bill 2787, the agricultural relief bill, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 82, between lines 21 and 22, to insert the following new subsection:

"(k) Notwithstanding any other provision of this act, in establishing a marketing quota for any farm, the economic situation of the farmer, whether owner, lessor, or sharecropper, shall be taken into consideration, and no marketing quota shall be established for any farm if the amount of the commodities which the farmer would be permitted to market under quota restrictions would not yield sufficient income to meet the normal needs of the farmer and his family, and to provide the farmer a reasonable return upon his farm investment: *Provided*, That to the extent that the total marketing quotas for any commodity may be increased for any year, as herein provided, then such marketing quotas for any such commodity for such year applicable to and established for any farm or group of farms in a common or single ownership producing on an average more income than is necessary to meet the normal needs of the owner of such farm or farms,

shall be decreased to the end that such total decreases shall balance such total increases as authorized and provided herein: *And provided further*, That the Secretary of Agriculture is hereby authorized and directed to make, promulgate, and establish rules and regulations for carrying into effect the policy and provisions of this subsection."

#### TAX LAWS AND BUSINESS CONDITIONS

Mr. GIBSON. Mr. President, Vermont is made up largely of small communities, many of which are built around some small industry which takes care of the employment situation of its immediate vicinity. When anything occurs to disturb the local industry, the whole community is affected. Most of our towns or villages are in deep trouble owing to the present business slump.

In association with the junior Senator from Massachusetts [Mr. LODGE], I ask unanimous consent that there may be published in the CONGRESSIONAL RECORD a telegram from Mr. V. C. Bruce Wetmore, of Bondsville, Mass., which portrays a condition with respect to his community strikingly similar to the situation in a large number of Vermont towns.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

I own half interest Boston Duck Co., Bondsville, Mass. Up to August we had 500 employees, now have 4 watchmen. Only industry in the town. Employed young and old; in fact, anyone who lived in the town who could walk to mill. Whole town asking me when can expect to put them to work. Fine community working in mill for three generations. Our surplus all spent. Can't go any further without orders. How, under present conditions as brought about by this administration and present tax laws which affect the entire country, can I expect to put them back to work?

V. C. BRUCE WETMORE.

#### GOLD AND SILVER LEGISLATION

[Mr. PITTMAN asked and obtained leave to have published in the Appendix of the RECORD a letter written by him to Edward A. O'Neal, president of the American Farm Federation Bureau, in reply to certain inquiries made by Mr. O'Neal relative to gold and silver legislation, and so forth, which appears in the Appendix.]

#### DISABLED AMERICAN VETERANS OF THE WORLD WAR

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD an address delivered on November 8 by Mr. Maple C. Harl, national commander of the Disabled American Veterans of the World War, which appears in the Appendix.]

#### BUSINESS CONDITIONS IN AMERICA—WHAT IS THE MEANING OF THE "RECESSION", SO-CALLED?

Mr. LEWIS. Mr. President, I beseech the Senate to give me its audience for a few moments. I desire to submit some suggestions on a subject aside from the pending bill.

Mr. President, I put the query to this honorable body: What is the matter with America, and what is the matter with the people?

This morning from the press we read that the New York stock market—to take but a single barometer—has fallen precipitously for many weeks; that throughout the East uncertainty and general fear prevail; and that the belief prevails that this major recession has been caused to no small degree by the New Deal policies in general, and the tax laws of the Roosevelt administration in particular. It is said that this belief has become so general that for the first time since 1930 there appears to be a majority in Congress disposed against the administration and in behalf of the businessman. How can anyone be for the businessman and not be for the President? The President has constantly announced his advocacy of the business of the businessman.

Mr. President, I call to the attention of the Senate this statement. I invite you to consider also the fact that a statement of a similar nature comes now from San Francisco, Calif. I so read. I ask my colleagues, What does it mean that there should be in different parts of our country at this particular time such a concurrence by chosen voices in the denunciation of their own country? There is a union of these agencies in a condemnation of the administration of their Government. All this is, in such unison as we are now

having it, disclosing for its purpose an intention to depress the confidence of our people in our own country, and evidently to drive the Members of this honorable body and their colleagues in another body to some purpose of those who are the authors of the system and inaugurated the conspiracy.

Mr. President, I invite the attention of my honorable colleagues to the fact that last night, in one of our great cities of the Republic, there arose a voice ostensibly in behalf of what are defined as manufacturers; another voice in another city raised up in behalf of what was said to be the expression of economists; and, in another part of the United States, a voice in behalf of what was said to be peace and confidence. We observe, sir, that each of these assailed their country on the same ground. These spokesmen attacked the administration for the same purposes. Each charges in similar phrases to each other that the country is falling into dismembered fragments. It is announced that the finance of the banks is frustrated and the credit of the country assailed to echo through the world. The standing of our country is so diminished by accusation as to leave it unworthy of the confidence of an American.

Mr. President, one looks in vain to find a justification for this sort of thing. We note we must feel that the manufacturers and finance are misrepresented. I again ask, Where in truth is this country? How in truth does it stand?

I concede, sir, that, in the ordinary mutations of business and commerce in all seasons, and daily, stock markets rise and fall; but behold this country as it stands as to honest material of just speculation on exchange! Our credit in finance today is greater than that of any other country on earth. Our standing before the world in credit is the very highest. Business in our land is prosperous, barring one or two instances, such, for example, as the decrease for a while in the demand for steel as building moves slowly and, if you please, something of a decadence in the construction or selling of automobiles, caused by war, of nations decreasing export sales.

If you please, sir, turn about you, see the spectacle! The vaults of the banks are stifled with money. Our national credit is so high that on but day before yesterday the bid for the bonds of the Nation in a new Treasury finance exceeded by 15 times the necessity. These bonds pay but  $2\frac{1}{2}$  and  $1\frac{1}{2}$  percent.

At this time we behold, sir, seven great nations of the world tendering us their securities bearing from 5 to 7 percent, while the great commercial bodies all around us of an industrial nature—in many respects of the highest class—heretofore yielding splendid profits, tender their securities bearing from 5 to 7 percent. Yet our people demonstrate their confidence in the administration here in government, in the Treasury and its securities, in such manner as you have seen from time to time, particularly during the past few days, giving their preference and their confidence to the securities of the United States.

Sirs, there must be some reason behind these assaults which seem to come from so many quarters, so very far apart geographically, and yet seemingly of the same consistency, and almost of exactly the same language. Surely Senators will have interest enough to ask themselves the question, "What is the purpose of this? Is it the hobgoblin of deranged minds?"

In one instance we are told from the East, "It is the Roosevelt tax laws." In another instance we are told, "It is the New Deal measures." In still another instance we are told, "It is the general policy of the administration."

What particular policy do these gentlemen refer to that has adversely affected the credit of this country? What particular thing do they assert has decreased, if you please, and demeaned the credit of the National Treasury? The President accedes to the business demand of the power companies, and to reducing and abolishing the taxes claimed to be burdensome. Business, finance, and agriculture are now in full cooperation. Is not that the state of completion of full confidence, trust, and success?



Where is the particular thing to which the megaphone, banquet, and radio proclaimers allude as causing the stock market to rise and fall that is of a legislative character? Is this the standing claimed as cannot be respected by honest men in the land? We ask the commanding question here: What is the motive behind these assaults, as well as what is the reason of these combinations concurring one with the other in misrepresentations of all true business and faithful business organization?

Mr. President, I beseech the Senate to hear me while I invite them to a bit of the history of the country. Do Senators feel there is something new in this particular course that has been taken at this time? Indulge me to the point of vexing your patience. I speak of that which is within your memory. I shall not hark back beyond that merely to recite recorded history.

In 1914, the off year after the election and preceding the Presidential election in 1916—and I hope the leaders of both political parties will catch this, because each participated in legislative action during the time—the World War was on the world. Promptly in 1914 there arose in this country suddenly and all at once a general assault upon the credit of the United States. There arose a hiss and scorn upon and a denunciation of anything there was of government. The result was that we could not get a cent to bring the farmers' goods to the railroads. We could not get the money to ship his goods to the consumer. The then Secretary of the Treasury, now the junior Senator from California [Mr. McAdoo], took the step, with the aid of the President, in putting the Treasury behind agriculture to get the products to the market.

At this time the securities of our land fell on the stock market with great suddenness; fright existed all over the land. Eminent gentlemen supposed to represent finance and commerce began denunciation upon their country. The administration was held up before the world as lacking worth or confidence in various respects. One charge was that our Nation did not join in war with haste. Then, secondly, the charge was made that the policies under the Wilson administration were the kind destructive of business, of credit, and of honor.

It may be that Senators feel that these charges initiated this feeling of unrest. Far from it. It was the product of the design. Hear me while I recite that under Theodore Roosevelt in 1906 and 1907, in the off year, war was going on between Russia and Japan, and promptly, with suddenness, came an assault on this distinguished President and his policies, denying him the right to respect, withholding the people's confidence from him. He was demeaned as lacking in intelligence. He was accused of being an anarchist and his legislation of being destructive to all principles and products of America.

It was then that in this honorable body Senators were compelled to find their recourse as refuge in different forms of legislation, some of which went by the name of railroad legislation and others by designation of Treasury finance.

But the fact is evident that we see how absolutely duplicated today is of that which was in 1914 an off year. Now, in the off year of this administration, while war is pending in Asia, occupying all of Asia, war in Europe induced by conditions in Spain, with a terror hanging over England and France because of Germany and Russia, we find the very same element throughout the land, directed by certain influences of the exact nature, duplicating the very conduct that we saw during these other days of war and under similar circumstances and situations. Behold the similarity and answer, "Why?"

We ask, "What does it mean?" May I ask the question of you, Mr. President, Is it possible that these eminent speculators throughout the country bide their time to depress the stocks of their own Nation and then to purchase them in, and then to raise the price to the highest possible mark; then seize the products of the farmer from the farm, the results of the manufactures from the factories, at the very lowest prices to which they have been depressed, and then

lift them to the very highest prices that monopoly will induce, and so sell them to the great profit of the manipulators? Is not that just what was done under the war days of 1914, following what was done under the war days in the time of Theodore Roosevelt in 1906 and 1907?

Now, what do we find? Is it possible, I ask, that these speculators have conceived that if they can start a policy in this Government of making every human being feel that whatever stock he possesses is already tainted with utter failure and dishonor and every form of undertaking is likewise, if you please, decreed to its death, that from this result they can frighten the body which we know as the Securities Commission from any further enforcement of the law that compels the showing of a just amount of property behind a stock before it can be issued? Is it possible these masters at last conceive again what they did in 1907 and 1914, and what we know they did in 1929—that by doing this they can have those who are possessed of anything dispose of it at any figure, and they can then issue new stock in the form of certificates with nothing to sustain it but water and audacity, and then sell those stocks to America under whatever guise they please, while their rottenness will rob the widows, cheat the poor, and leave the country bereft of its financial honor?

Let us have no misunderstanding. Let us have a true understanding. I propound to my honorable colleagues of whatever political faith, How could there have been in San Francisco in one night, in the city of New York the same night, in a town in New England the same evening, and in the city of Washington the same noon, the very same speeches upon the very same ground? I hope the honorable gentlemen of the press will not fail to note that I openly charge that it could not have been done without some understanding had preceded it. There is no system which the mind can devise and now pronounce that there could have been an induction of that nature to the undirected mind that such could have expressed itself in harmony of words except that their minds were completely dominated by suggestion or direction from some superior, subterranean, and controlling force.

We come to the point. Here are the businessmen of this country anxious to join with the President, the President anxious to join with them, in complete communion and harmony. There is not the slightest dissatisfaction among those who are the real business. The toilers heretofore seem to have smoothed out their conflicts in the unions and are living together again in harmony, while we stand before the world everywhere with credit undisturbed, with honor conceded, with the very highest degree of commercial grandeur. We are the one and only nation in the world wholly at peace with itself. There are no riots in our land among our people. There are no disturbances among our people from fright or terror. There is no sense of abhorrence or shuddering upon the theory we are on the verge of war. There is nothing that indicates an alliance, or can be, with foreign forces to join with them in controversies they may have with their neighbors in the prospect of war they may have with other nations.

Why should the countrymen in our own land choose to dishonor our own country by discrediting it upon a false basis and holding it up before the world as unworthy of legitimate confidence that attends all business enterprises? Who is it that will profit by this?

When those gentlemen, whoever they are, which have frightened the poor woman with a small security to have her sell it at a complete loss and robbed the estates of the little possessions which they may have from which income may have been afforded, and then the little-business man shall be compelled to get rid of what he possesses on the ground that what he has is a loss and then induced to enter doubtful investments again, this result will reproduce exactly the situation of 1929-30. Will those people who are the creators of the desecration have been rewarded when they have brought disaster upon their own people, set dishonor upon their own Nation, and brought disgrace upon their own countrymen?



Where are those who are to be called statesmen? Let us give out a word from this honorable body. Those people are deceiving none who have intelligence. They will not be further allowed to mislead those of patriotism. The point is clear, the understanding is evident, that the dishonor behind it is one that has been clearly calculated to result in confusion and embarrassment.

On this floor at this moment, daring to be something of a spokesman for my honorable colleagues on both sides of the Chamber, I announce the time has come when we here reveal these people and now declare to them that this Government will not yield to speculators in their offense nor to speculators in their crime. This is a Government of patriots who will sustain their country by every sacrifice. This is a body which will stand squarely in defense of our country. We insist upon the indulgence and enjoyment of prosperity by its whole people and the patriotism of this Nation to denounce and punish all conspiracy against the people and the Nation of America.

I thank the Senate for allowing me to break into the debate at this time. [Applause on the floor.]

#### AGRICULTURAL RELIEF

The Senate resumed the consideration of the bill (S. 2787) to provide an adequate and balanced flow of the major agricultural commodities in interstate and foreign commerce, and for other purposes.

The VICE PRESIDENT. The clerk will state the pending amendment.

Mr. BORAH. Mr. President, before we take up the next amendment I should like to know what became of the amendment of the Senator from Louisiana [Mr. OVERTON]. It was passed over last evening, and I want to call it up, if I may do so this morning, because if it is adopted it will in part take care of another matter which I have in mind.

The PRESIDING OFFICER (Mr. LOGAN in the chair). If there is no objection, the amendment of the Senator from Louisiana [Mr. OVERTON], referred to by the Senator from Idaho [Mr. BORAH], will be laid before the Senate for consideration.

Mr. OVERTON. Mr. President, the amendment I proposed has been thoroughly discussed on two different occasions before the Senate. Yesterday the junior Senator from Washington [Mr. SCHWELLENBACH] expressed a desire to postpone consideration of the amendment until he had an opportunity to study it further. He advised me this morning over the telephone that he has no objection to the amendment.

The purpose of the amendment is simply to protect soil-conservation payments.

Mr. McNARY. Mr. President, I think the amendment should be stated before the discussion proceeds.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. In the committee amendment, on page 11, it is proposed to strike out lines 18 to 25 and to insert in lieu thereof the following:

(c) Notwithstanding any of the provisions of this act, parity payments for cotton, wheat, and corn in any marketing year shall be computed on the basis of the payments available under the Soil Conservation and Domestic Allotment Act, as amended, in case such payments are greater than the payments available under this act.

Mr. OVERTON. Mr. President, as far as I know, there is no Senator now objecting to the amendment. I ask the junior Senator from Washington, whom I see in the Chamber, whether he suggests any modification of the amendment, or whether he is satisfied with the amendment as it is now proposed.

Mr. SCHWELLENBACH. Mr. President, if the Senator will yield, I have discussed the amendment with the Department this morning, and they have no objection to it. Therefore I withdraw any objection I might have had to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Louisiana to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

Mr. McNARY. Mr. President, yesterday I asked that the amendment on page 19 be passed over, and that order was made. I am ready to make inquiry concerning it now if the RECORD made yesterday is as I have stated it.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 19, after line 9, it is proposed to insert the following:

(c) Adjustment contracts shall require a cooperator engaged in the production of wheat or corn for market to store under seal his stock of the current crop thereof up to an amount not exceeding the normal yield of 20 percent of his farm's soil-depleting base acreage for such commodity if the Secretary, at any time during the marketing year for such crop or within 30 days prior thereto, determines that such storage is necessary in order to carry out during such marketing year the declared policy of this act with respect to the commodity; but such storage shall not be required if the Secretary has reason to believe that during the ensuing 3 months the current average farm price for the commodity will be more than the parity price therefor. Such storage shall be for the period of the marketing year or such shorter period as the Secretary shall prescribe. Cooperators shall be entitled to obtain from the Surplus Reserve Loan Corporation surplus reserve loans in respect to stocks stored as required by the Secretary under this subsection.

Mr. McNARY. Mr. President, in reading the amendment yesterday it occurred to me that this might work an imposition upon the producers of wheat and corn. As I read the amendment whenever a crop is harvested, what we call a current crop, not to exceed 20 percent shall be sealed and stored, whether in the farmer's home, or in a cooperators' elevator, or in one privately owned. It also provides that this must be done. Then on line 15 this provision appeared:

If the Secretary, at any time during the marketing year for such crop or within 30 days prior thereto, determines that such storage is necessary in order to carry out during such marketing year the declared policy of this act with respect to the commodity—

And so forth. The interpretation I place on the amendment, the manner in which I claim it would work a hardship to the wheat and corn farmer, cotton being omitted, is that a producer would necessarily comply with the terms of the amendment and store 20 percent of his crop for the full year, because if the Secretary decided in the first 3 ensuing months, which would be, according to the bill, July, August, and September, that he needed the storage any time during the marketing year, which is 12 months, he could call upon the farmer for 20 percent of that which had been stored, and if the farmer did not have it stored, he would probably be subject to the penalty prescribed a few pages further in the bill for not reporting correctly, and be fined at least \$100.

If I have misconstrued the language, I should like to have it explained by the Senator from Idaho [Mr. POPE] or the Senator from Kansas [Mr. MCGILL], in charge of the bill.

Mr. POPE. Mr. President, I may say, to begin with, that the authors of the bill have agreed to strike out the provision with reference to the hundred-dollar fine in connection with the report. That may be of interest to the Senator.

Mr. McNARY. That is of very great interest.

Mr. POPE. With reference to the amendment now under discussion, my interpretation is that in the contracts it is provided that the Secretary may require storage not exceeding the normal yield, or 20 percent of the farm base. There is a proviso, however, as the Senator will note, to the effect that the Secretary must determine and carry out the policy of the act, and the further proviso that if he has reason to believe that the current price of the commodity will be equal to parity, then he cannot require the storage.

Yesterday the Senator was making the point that the amendments to the bill were more for the benefit of the grower than is desirable.

Mr. McNARY. Oh, no.

Mr. POPE. More to the benefit of the grower and less to the benefit of the consumer than is desirable.

Mr. McNARY. No.



Mr. POPE. That was my understanding of the Senator's position.

Mr. McNARY. Not at all. It is not in the interest of either grower or the consumer, in my judgment. We will leave it that way.

Mr. POPE. The Senator will observe that if the price should fall below parity the Secretary could require the establishment of the ever-normal granary. That is all this whole section means, as I understand it.

Mr. McNARY. The Senator may be wrong, or he may be right. I am thinking about the farmer. In my judgment it would not be safe for anyone who plants and harvests wheat or corn not to withhold from the market 20 percent of his product through the marketing year, which means 12 months, for fear that at sometime, quoting the language—

If the Secretary, at any time during the marketing year for such crop . . . determines that such storage is necessary in order to carry out during such marketing year the declared policy of this act.

The declared policy of the act is parity prices, the ever-normal granary, and a surplus reserve loan corporation. So, if this language means anything, it declares that the farmer shall place in storage 20 percent during the whole marketing year. It is possible that during that period the Secretary of Agriculture may release it, or he may not release it. To be safe, however, the farmer must keep 20 percent impounded during the whole year, and if he does so, it means he will have to pay storage charges, suffer the loss due to atmospheric depreciation, and interest paid to the corporation or the bank. That may represent the difference between a very large loss and coming out even in his crop year.

Mr. POPE. Mr. President, I call the attention of the Senator, in the first place, to the provision that not to exceed 20 percent is to be stored. The estimates which have been made by the Department and the Secretary are to the effect that perhaps 7½ percent or 10 percent would be all that would be necessary. At any rate, 20 percent is the maximum that might be stored, and the price of the commodity must be lower than parity.

Mr. McNARY. Of course, the Secretary might say 10 percent. I am speaking as a farmer. The market year begins June 1 and is 12 months in duration. The farmer harvests his wheat in July. In the face of this language I would feel it incumbent upon me, commanding upon me, to store at least 20 percent of the crop during the whole marketing year, whether it was released or not, because it provides that that must be done unless it is satisfactory to the Secretary.

Mr. McGILL. Mr. President, will the Senator yield at that point?

Mr. McNARY. Just a moment. It says, "If the Secretary, at any time during the marketing year, determines that such storage is necessary." Of course, but the Secretary has the whole year to determine that fact, and in order to comply with the mandatory language, and save himself from penalties, the farmer would have to keep stored not more than 20 percent of his crop. I think in most instances 20 percent would represent any profit he might make, if he received any at all, because he would have to keep the crop out of the current trade, keep it off the market, pay the storage, the insurance on the wheat, and interest on the money during the whole period. That is the language if I read it aright. It may be satisfactory, but I do not think it is, and I am suggesting to the Senator that we let this go over for sometime and seek to remedy it. I do not want to see a provision like this in the bill.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. McNARY. I very gladly yield.

Mr. McGILL. My interpretation of the language is a little different from that of the Senator from Oregon. The provision is that the Secretary may, during the year, require storage under seal of a portion of a farmer's stock of the current crop year—a portion of his stock. In my judgment that means such as he may have on hand at the time. It is his stock of the current year, not 10 or 20 percent of the current crop year, but 10 percent of his stock, such as he may have on hand. I do not believe it applies to a farmer

who might have disposed of his stock or requires him to seal his stock just to see what the Secretary is going to do. In addition to that, I assume the Senator recognizes the fact that the amendment is merely a transposition of language contained in the original bill to this point in the bill.

Mr. McNARY. That may be.

Mr. McGILL. I believe that the Senator, in construing this as meaning that 20 percent of the entire crop must be stored, is not giving a correct construction to the language. My judgment is that it means that if the farmer should have 20 percent of the crop on hand, then he might be required to store it; but it applies at any time during the marketing year as to the stock on hand.

Mr. McNARY. That interpretation cannot be given, because it does not say "stock on hand." On line 12, page 19, it says plainly "his stock of the current crop." What does "current crop" mean?

Mr. McGILL. His stock of the current crop, whatever he might have at the time.

Mr. McNARY. Not at all. The whole bill proceeds upon the theory of a carry-over, which is one thing; of putting it under seal, which is another thing; of the normal granary, which is another thing. The current crop means the crop of this year, not what he might have held over from 1933, or 1935, or 1936.

Mr. McGILL. I concede that if a farmer had on hand 20 percent of the crop of the current crop year, he might be required to store that amount under seal. In my judgment, this provision would not require him to keep it in order to see what action the Secretary would take.

Mr. McNARY. That is a half admission that is bad.

Mr. McGILL. No; it is not a half admission.

Mr. McNARY. If it is three-fourths of an admission, it is bad. As almost a full admission, it is bad. Whether it is stock held over or not, it is not fair to the farmer. But it means the current crop. The Senator cannot get away from that.

Mr. POPE. In a discussion a few days ago, and again today, the Senator from Oregon has referred to the cost of the storage, and has implied that that would be paid by the farmer. I may say to the Senator that there have been two corn loans, I believe, and in each case storage as a practical matter did enter into consideration. All the corn, or practically all the corn, was stored on the farm, without any storage charge to anyone. There is a provision in the bill that the commodity must be the exclusive security for the loan and, I assume, incidental expenses, and therefore, while in the ultimate the producer might have to stand the cost, the crop itself will be sold for enough to take care of the storage and the loan. If not, the Government loses that much.

So as a practical matter I will say to the Senator that under the experience in connection with the other loans the matter of storage has not been an important question.

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). The time of the Senator from Oregon on the amendment has expired.

Mr. POPE. Mr. President, if I may be recognized, I shall take the floor and yield to the Senator from Oregon.

Mr. McNARY. I appreciate that courtesy. The provision that I mentioned is written in the adjustment contract, that 20 percent of the current crop must be placed under seal.

Mr. POPE. Not exceeding 20 percent.

Mr. McNARY. Not exceeding 20 percent. That is in the contract. The farmer cannot get around that provision, because it is a contractual provision.

I wish to make a statement with respect to storage. We had experience in connection with the storage of corn when the Stabilization Corporation was operating under the farm bill. I wrote a report on that measure which was not favorable to the operation of the bill. It was clearly indicated at that time that the man who stores his wheat must pay and does pay 16½ cents a bushel per year for storage. So I say storage is a tremendous item. That item covers simply storage and does not include insurance and interest.



Mr. President, I thank the Senator from Idaho for yielding to me.

Mr. POPE. Mr. President, with respect to corn and wheat the conditions might be different. The farmer might not have on the farm the facilities for storing his wheat that he would have to store his corn. However, about all that can be said with reference to that is that the corn or wheat is the sole security for the charges. There is no personal obligation against the grower. If the corn or wheat when released from the granary does not sell for enough to cover the amount of the loan against it, plus any storage, then the Government will have to stand the loss, and not the producer.

I may say in conclusion on this amendment, that as to any ever-normal-granary plan objections may be raised such as have been made by the Senator from Oregon. However, I do not see anything in this provision, in the light of our experience in respect to other loans made by the Government that would make it unworkable or impractical.

Yesterday the Senator from Oregon referred to the Secretary of Agriculture, and particularly to the letter which the Secretary wrote to the authors of the bill. I may say that the Secretary of Agriculture is in full accord with this provision. It does tend to bring about the storage in an ever-normal granary for the benefit both of the farmer and of the consumer, and there is nothing in this amendment which is contrary to the generous attitude of the Secretary, which was approved by the Senator from Oregon in his discussion of the Secretary's letter. Therefore, I think it is a fair provision; with practical questions, of course, to be answered in the administration of the act. It certainly is not impractical, at least in the opinion of the Secretary, who will administer the act.

Mr. ELLENDER. Mr. President, yesterday during the debate with reference to an amendment appearing on page 14 of the bill, subsection (c), the question was asked by the able Senator from Idaho [Mr. BORAH] where we can find the constitutional authority for this bill. I proceeded to show, as well as I could, the similarity between the provisions of the pending bill and of the Soil Conservation Act, but because of lack of time the Senator from Idaho was unwilling to further discuss the Soil Conservation Act in connection with this bill.

With particular reference to the question of the able Senator from Idaho as to constitutional authority for this bill, I will first cite the Soil Conservation Act. That is the law of the land insofar as we are presently concerned. It is my information that the constitutionality of said act has never been determined, and judging from the attitude of the able Senator from Idaho [Mr. BORAH] it would seem that he thinks the Soil Conservation Act constitutional. As I pointed out during the debate on yesterday, at page 1332 of the Record, there is very little difference in the operation of the pending bill and the Soil Conservation Act. The able junior Senator from Idaho [Mr. POPE] presented a very comprehensive brief on the question when he spoke in favor of the pending bill sometime ago.

Mr. President, it is my view that the decision in National Labor Relations Board against Jones & Laughlin Steel Corporation gives ample authority for the Court to uphold the constitutionality of this bill. In that case the Board charged unfair labor practices by the defendant corporation in that the corporation was discriminating against members of a labor union in discharging certain employees. The corporation contended that the act in dispute was in reality a regulation of labor relations and not of interstate commerce; that it had no application to the corporation's relations with its production employees because they were not subject to regulation by the Federal Government; and, finally, that the provisions of the act violated section 2 of article III of the fifth and seventh amendments of the Constitution. The corporation was engaged in the manufacture of iron and steel. It had factories in various sections of the country. It manufactured its products in such localities as it had plants. The question involved was whether or not a particular product,

after being manufactured in a particular plant in a particular locality, could be prevented from being shipped through the channels of interstate commerce. The unfair labor practice complained of took place in a certain factory, while certain products were being manufactured, and the Court held in effect that as to those products that were manufactured under the alleged unfair labor practices, they could not be transported in interstate commerce.

In the pending bill there is no effort made to prevent the flow of wheat or corn in interstate commerce until after it is actually produced and after it is determined that the surpluses are such that they will affect interstate commerce; that they are detrimental to the general welfare of the Nation; that they destroy the income of farmers and their purchasing power for industrial products and the value of the agricultural assets supporting the national credit structure. There is no attempt to prevent production. Farmers may produce what they desire even after the national marketing quota is voted upon by themselves.

And I repeat that it is only excessive surpluses, determined to exist and to be on hand, that will be prevented from clogging interstate commerce. It is my belief that the Supreme Court will hold that agriculture is a national and not a local problem, and that the welfare of the Nation depends upon the welfare of the farmer.

In connection with my remarks, Mr. President, I ask unanimous consent to have printed an excerpt from the case just cited, National Labor Relations Board against Jones & Laughlin Steel Corporation.

There being no objection, the matter referred to was ordered to be printed in the Record, as follows:

In the case cited the Court, speaking through Chief Justice Hughes said:

"Giving full weight to respondent's contention with respect to a break in the complete continuity of the 'stream of commerce' by reason of respondent's manufacturing operations, the fact remains that the stoppage of those operations by industrial strife would have a most serious effect upon interstate commerce. In view of respondent's far-flung activities, it is idle to say that the effect would be indirect or remote. It is obvious that it would be immediate and might be catastrophic. We are asked to shut our eyes to the plainest facts of our national life and to deal with the question of direct and indirect effects in an intellectual vacuum. Because there may be but indirect and remote effects upon interstate commerce in connection with a host of local enterprises throughout the country, it does not follow that other industrial activities do not have such a close and intimate relation to interstate commerce as to make the presence of industrial strife a matter of the most urgent national concern. When industries organize themselves on a national scale, making their relation to interstate commerce the dominant factor in their activities, how can it be maintained that their industrial labor relations constitute a forbidden field into which Congress may not enter when it is necessary to protect interstate commerce from the paralyzing consequences of industrial war? We have often said that interstate commerce itself is a practical conception. It is equally true that interferences with that commerce must be appraised by a judgment that does not ignore actual experience.

"Experience has abundantly demonstrated that the recognition of the right of employees to self-organization and to have representatives of their own choosing for the purpose of collective bargaining is often an essential condition of industrial peace. Refusal to confer and negotiate has been one of the most prolific causes of strife. This is such an outstanding fact in the history of labor disturbances that it is a proper subject of judicial notice and requires no citation of instances. The opinion in the case of *Virginian Railway Co. v. System Federation No. 40*, supra, points out that, in the case of carriers, experience has shown that before the amendment of 1934 of the Railway Labor Act, 'when there was no dispute as to the organizations authorized to represent the employees, and when there was willingness of the employer to meet such representatives for a discussion of their grievances, amicable adjustment of differences had generally followed and strikes had been avoided.' That, on the other hand, 'a prolific source of dispute had been the maintenance by the railroads of company unions and the denial by railway management of the authority of representatives chosen by their employees.' The opinion in that case also points to the large measure of success of the labor policy embodied in the Railway Labor Act. But with respect to the appropriateness of the recognition of self-organization and representation in the promotion of peace, the question is not essentially different in the case of employees in industries of such a character that interstate commerce is put in jeopardy from the case of employees of transportation companies. And of what avail is it to protect the facility of transportation, if interstate commerce is throttled with respect to the commodities to be transported?



"These questions have frequently engaged the attention of Congress and have been the subject of many inquiries. The steel industry is one of the great basic industries of the United States, with ramifying activities affecting interstate commerce at every point. The Government aptly refers to the steel strike of 1919-20 with its far-reaching consequences. The fact that there appears to have been no major disturbance in that industry in the more recent period did not dispose of the possibilities of future and like dangers to interstate commerce, which Congress was entitled to foresee and to exercise its protective power to forestall. It is not necessary again to detail the facts as to respondent's enterprise. Instead of being beyond the pale, we think that it presents in a most striking way the close and intimate relation which a manufacturing industry may have to interstate commerce, and we have no doubt that Congress had constitutional authority to safeguard the right of respondent's employees to self-organization and freedom in the choice of representatives for collective bargaining."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 19, beginning at line 10.

The amendment was agreed to.

Mr. MCGILL. Mr. President, what was done with the committee amendment on page 8, beginning with line 14?

The PRESIDING OFFICER. The Chair is informed that that amendment was agreed to on yesterday.

Mr. MCGILL. I made that inquiry because the language just adopted is a transposition of that language. I thought the language on page 8, beginning on line 14, had gone over at the request of the Senator from Oregon [Mr. McNARY].

The PRESIDING OFFICER. That amendment was agreed to.

Mr. MCGILL. Very well.

The PRESIDING OFFICER. May the Chair have the attention of the Senator from Oregon [Mr. McNARY]? The parliamentary clerk has called the Chair's attention to the fact that there was an amendment on page 14 which the Senator yesterday asked to go over. Does the Senator desire to have that amendment considered now? The clerk will report the amendment.

The LEGISLATIVE CLERK. On page 14, line 8, strike out—Cotton, 45,500,000 acres.

Mr. McNARY. Mr. President, I have disclosed my disapproval of this discrimination against wheat and corn on two occasions. I might repeat that when this bill was taken about the country the farmers were told that it would apply equally to these various commodities. We find that the bill before us is not the same proposition at all. I take a similar view to that taken by the Secretary of Agriculture. The Senator from Idaho just quoted him favorably. The Secretary agrees with me that there should be no difference in the matter of soil depletion base acreage for any commodity. I know that whatever motion I make would not prevail. I do not want to hinder the reasonable disposition of the bill. But I do think, along with the Secretary of Agriculture, and I think in common with every wheat grower and every corn grower in this country, that this is rank discrimination. Similar limitation on corn and rice and tobacco has been removed. Again I commend the perspicacity of the cotton members of the committee. Together with the Secretary of Agriculture, I should like to see all those commodities placed on the same footing. Let us either cut out the base acreage as to wheat and corn or apply it to tobacco, cotton, and rice. I have appealed to the authors of this bill on several occasions to attempt what I would call fair treatment to the producers of these great commodities and not unjustly discriminate against them.

With that statement, Mr. President, I want to vote against the proposition, and I shall have to content myself by casting a negative vote against it.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the amendments on page 14 from line 8 to line 18, inclusive, be voted on as a whole. They all involve the same proposition.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. POPE. Mr. President, I wish to say that the corn and wheat producers—the leaders who have been instrumental in the preparation of this bill—are the ones who desire the amendment in this form. They think it is to their best interests. They do not agree with the Senator from Oregon that the provision discriminates against the corn and wheat growers. I indicated yesterday and two or three times before that the result reached would be the same so far as allotted acres are concerned. The only thing that can be said is that there are two different methods of arriving at the same result. The representatives of the corn growers and wheat growers appear to desire this method of approach. The representatives of the cotton growers and the growers of rice and tobacco prefer the other method of approach. But the result is exactly the same, and no discrimination is being made against the growers of any of those commodities, because the result is the same.

Mr. McNARY. Mr. President, I take sharp issue with the able Senator from Idaho. I can quote from as many wheat growers and corn growers as he can. I have had numerous letters in opposition to this discrimination. I wonder how many farmers the Senator asked about this matter when his committee went to the country with this bill. The answer must be none of them, because the bill did not contain any difference in the manner of declaring seeding acreage. Therefore, it was not an issue at that time.

Mr. POPE. If the Senator will yield, I will say that in the discussions we had with reference to this matter there were not any complaints on the part of corn and wheat growers.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. Under the order heretofore entered, how many speeches may a Senator make on the same amendment?

The PRESIDING OFFICER. The point of order which the Chair assumes the Senator makes is well taken.

Mr. McNARY. Mr. President, I am out of order; but, to show how different I am from some others, yesterday the Senator from Kentucky [Mr. BARKLEY] spoke five times against the rule, but I was too gentlemanly to invoke it. [Laughter.] I obey it, however, in view of his invocation.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments on page 14, commencing on line 8 and going down to line 18.

The amendments were agreed to.

Mr. MCGILL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MCGILL. What was done with the amendment on page 18, beginning with the insertion in line 2?

The PRESIDING OFFICER. Those amendments were agreed to on yesterday.

May the Chair have the attention of the senior Senator from Idaho [Mr. BORAH]? The parliamentarian calls the Chair's attention to the fact that the Senator had an amendment to offer at this place in the bill. Does he care to proceed with it now?

Mr. BORAH. On page 7?

The PRESIDING OFFICER. On page 6, line 21, going over to page 7.

Mr. BORAH. Mr. President, in view of the adoption of the amendment offered by the Senator from Louisiana [Mr. OVERTON], I do not desire to hold that committee amendment open any longer. If there is any chance of changing the provision, it will have to be by an amendment to the original text; so I do not care to hold the committee amendment open longer.

The PRESIDING OFFICER. The question, then, is on agreeing to the amendment commencing on line 21, page 6, and going over to line 17 on page 7.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.



The next amendment was, on page 21, beginning in line 1, to insert:

**TITLE II—MARKETING QUOTAS FOR WHEAT AND CORN**  
**LEGISLATIVE FINDING**

SEC. 20. The Congress herewith finds as follows:

The production and marketing of wheat and corn constitutes one of the great basic industries of the United States with ramifying activities which directly affect interstate or foreign commerce at every point, and stable conditions therein are necessary to the general welfare.

Recurring surpluses and shortages of supplies of wheat and corn on the Nation-wide market are detrimental to the general welfare of the Nation. Surpluses of such supplies destroy the income of farmers, their purchasing power for industrial products, and the value of the agricultural assets supporting the national credit structure. Shortages of such supplies result in excessive prices to consumers and loss of markets by farmer.

In the absence of effective legislation, surpluses of wheat and corn will accumulate and shortages of supplies will occur.

The general welfare requires that such recurring surpluses and shortages be minimized, that supplies of wheat and corn adequate to meet domestic consumption and export requirements in years of drought, flood, and other adverse conditions as well as in years of plenty be maintained, and that the soil resources of the Nation be not wasted in the production of excessive supplies.

The conditions affecting the production and marketing of wheat and corn are such that, without Federal assistance, farmers, individually or in cooperation, cannot effectively prevent the recurrence of such surpluses and shortages, maintain their incomes in a fair balance with the incomes of individuals other than farmers, maintain normal supplies of wheat and corn, or provide for the orderly marketing thereof.

The marketing of abnormally excessive supplies of wheat or corn materially affects the volume of such commodities in interstate and foreign commerce, disrupts the orderly marketing of such commodities therein, reduces the prices for such commodities with consequent injury to and destruction of such commerce, causes disparity between prices of agricultural commodities and industrial products in interstate and foreign commerce with consequent diminution of the volume of such commerce in industrial products, and otherwise acutely and directly affects, burdens, and obstructs interstate and foreign commerce.

The provisions of this act relating to wheat and corn, other than the provisions of this title, are necessary in order to minimize recurring surpluses and shortages of the agricultural commodities to which such provisions are made applicable and of other agricultural commodities, the marketing of which is affected by surpluses and shortages of the commodities to which this act is expressly applicable; to provide for the maintenance of adequate reserve supplies and further the orderly marketing of such commodities; and to maintain a fair balance between the incomes of farmers and the incomes of individuals other than farmers. The provisions of this title are necessary in order to maintain an orderly flow of such commodities in interstate and foreign commerce under such conditions.

Mr. BORAH. Mr. President, I simply desire to say that this amendment is a very good legal argument for the bill. While I disagree with the views expressed, I pay tribute to the legal ability of those who may be the authors of this strange amendment.

Mr. McNARY. Mr. President, I differ with my colleague from Idaho. I do not think the amendment is a legal argument at all.

The theory has been advanced by some persons that we must make a stump speech in a bill in excuse for the provisions which follow thereafter. I do not think the language of this amendment has any relation whatever to the bill. It is wholly immaterial, irrelevant, and incompetent.

**UNDERCONSUMPTION IS OUR PROBLEM**

Mr. O'MAHONEY. Mr. President, let me take the opportunity to say briefly that I do not agree at all with the conclusion expressed in this amendment.

The theory of the amendment is to be read in the last sentence:

The provisions of this title are necessary in order to maintain an orderly flow of such commodities in interstate and foreign commerce under such conditions.

I am not going to make a speech upon the matter at this time; but, inasmuch as we are about to vote upon the amendment, I feel it incumbent upon me to say that in my judgment the fundamental necessity at this juncture is the stimulation of consumption, not the restriction of production.

I have not a doubt in my own mind that the Congress can pass legislation which will stimulate consumption. No one, I am sure, will disagree with the statement that the

problem which confronts the people of the United States is the problem of making it possible for all classes of the population to consume a larger proportion of our agricultural and industrial production than is now being consumed. This is a bill to expand the purchasing power of farmers. I am, of course, very anxious to cooperate in helping to expand the purchasing power of farmers; but whatever we do here will be only temporary in its character unless we find a way of expanding the purchasing power of the industrial population as well.

For my part, I am not ready to agree that it is necessary to begin by restricting production. We should take the first step of increasing the ability of all the people of America to consume the products of the farm.

Restriction of production on the farm necessarily involves a reduction of labor on the farm, and reduction of labor means a reduction of the purchasing power of those who are thrown out of employment.

Mr. MCGILL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Kansas?

Mr. O'MAHONEY. I do.

Mr. MCGILL. The Senator speaks of increasing the purchasing power of the industrial population and thereby increasing consumption. I assume the Senator has reference to the portions of our industrial population who belong to what may be called an employed class, persons who work for industrial concerns. Does not the Senator recognize the fact that the pay roll and wage of those persons have at all times gone hand in hand with the purchasing power of the farmers of the country?

Mr. O'MAHONEY. I recognize the fact that the graphs run up and down together; but, as I see the situation, there has been a restriction upon both pay rolls and agricultural purchasing power. The farmer's best market is to be found in the industrial population of America, in the big cities; and likewise, of course, the best market for the products of the mine and the factory is the farming population of America; so that, in my opinion, the two are indissolubly linked together.

Mr. MCGILL. The manufacturers' wage pay roll, as a rule, has amounted each year to the same sum as the gross income the farmers have received for their products. The amounts have been almost the same year after year, so that the purchasing power of one has depended upon the purchasing power of the other; and we are endeavoring here, among other things, to increase and enhance the purchasing power of the farmer.

There is no disposition to produce less than the people will consume. There is no disposition on the part of anybody to do that. So far as I know, no one who is a supporter of this bill advocates a philosophy of scarcity.

Mr. O'MAHONEY. Oh, I quite agree with the Senator.

Mr. MCGILL. But we do want to enhance, among other things, the purchasing power of the farmer. Thereby we shall increase consumption; and I think this proposal has to do with that very matter.

Mr. O'MAHONEY. I merely wanted to express my opinion that the conclusion stated in this amendment does not correctly reflect the situation.

Mr. POPE. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. Certainly.

Mr. POPE. Does not the Senator think this is only one phase of the matter? Undoubtedly, as he suggests, other ways of increasing the purchasing power of the consumers are highly desirable—finding new uses for our commodities, and any other way of increasing the purchasing powers of the consumer.

Mr. O'MAHONEY. Of course; I agree to that.

Mr. POPE. I agree with the Senator from Wyoming that too much emphasis cannot be placed upon that; but does not the Senator also see the other side of the picture which is here represented? This bill does not attempt to solve all the difficulties of the farmer, but it is an approach to the matter of keeping up his purchasing power, by increasing



the price he shall get for his commodities. If the Senator agrees that surpluses are injurious to the purchasing power of the farmer through depressing the price he receives, I do not see how the Senator then can avoid conceding the necessity of legislation to deal with surpluses and thereby improve purchasing power, along with everything else we may do to increase the use and consumption of commodities the farmer produces.

Mr. O'MAHONEY. I think there is no great amount of harmony between what the Senator is now saying and the contents of this particular amendment.

In 1933 we passed the Agricultural Adjustment Act. When the processing tax under that act was declared invalid the Soil Conservation Act was passed. This Congress and the Congresses which have preceded it since 1933 have done everything in their power to increase the purchasing power of the farmer by legislation of this character and they succeeded—temporarily. The purchasing power of the farmer in 1935 was vastly greater than it was in 1932; but now we are told that that purchasing power is again falling off, in spite of the emergency legislation, in spite of the Soil Conservation Act. It is my contention that until we find a way of putting the industrial population of America to work at something better than security wages, we shall not begin to solve the farm problem.

Mr. POPE. Let me ask the Senator a question. Assuming that he is largely correct in that statement, would the Senator then leave the matter of surpluses unprovided for? Would he go along in his effort to increase the purchasing power of the consumer generally without dealing with the specific problem of the farmer which he has before him?

The farmer now has a surplus of over 200,000,000 bushels of wheat. If present conditions continue under the soil-conservation program, he may have next year an additional surplus of two hundred or three hundred million bushels. Then he will be facing an actual, concrete surplus of, say, four or five hundred million bushels of wheat. Would the Senator let that go without any legislation, and rest entirely upon the proposition that somehow we should stimulate purchasing power generally among the consumers? Would he let that matter go, and do nothing about it?

Mr. O'MAHONEY. Mr. President, I will say to the Senator from Idaho that I suspect I shall be found voting for this bill, with the Senator from Idaho.

Mr. POPE. I am glad to hear that.

Mr. O'MAHONEY. I am merely expressing my opinion that the conclusions stated in this amendment are not correct. I do not want it to be understood that I share the point of view set forth in this amendment; namely, that the provisions of this bill are necessary to maintain an orderly flow of certain agricultural commodities.

Mr. POPE. I think if we were preparing findings on the question of the effect of monopolistic prices upon the purchasing power of the consumer—in other words, if we were dealing with the consumer's problem exclusively—we could have some very significant legislative findings, and I expect they would appeal to the Senator more than these findings do; but we are dealing with one of the phases of the problem and making findings upon that phase of the problem, and not attempting to exclude all other considerations that may enter into this great problem.

Mr. O'MAHONEY. Another remark I might make is to the effect that the bill, as reported by the committee and being pressed by the distinguished Senator from Idaho, is based upon a different theory from that presented by the Secretary of Agriculture. I am inclined to agree with the Secretary of Agriculture that the restrictive features, the control features of farm legislation, should not come into play until there is a definite surplus.

Mr. MCGILL. Mr. President, does the Senator believe we have a surplus of wheat when we have 200,000,000 bushels of wheat more than the domestic and foreign markets will take?

Mr. O'MAHONEY. I would be willing to say "no" to that question for the reason that I believe that what is called a

surplus by the proponents of this bill could easily be consumed in the United States if we took the proper steps to stimulate consumption. Our trouble is that too many people are too poor to buy what they need.

Mr. MCGILL. Does the Senator take the view that there must be around 400,000,000 bushels of wheat more than we can sell before there is a surplus?

Mr. O'MAHONEY. The opportunity will be presented to me a little later, I believe, to go into a discussion of this matter in greater detail. We shall have no such surplus if the people are all employed. For the present, as I said, I am merely expressing my opinion that the conclusions in this amendment are not well founded.

Mr. MCGILL. We have always heretofore regarded about 150,000,000 bushels of wheat as a reasonable carry-over.

Mr. COPELAND. Mr. President, may I ask the Senator from Wyoming what he means by "proper steps to stimulate consumption"? How would he increase consumption?

Mr. O'MAHONEY. The first thing I would do would be to close the door to those monopolistic practices followed by what I believe to be a very small proportion of the industrial leaders of the country, but a sufficiently large proportion to make it impossible for the country to develop as it should develop and to make competition impossible. Too much concentration of economic wealth and power is the greatest impediment to the expansion of private enterprise.

Mr. COPELAND. I thought possibly the Senator meant we might change the practice of our women and have them eat more bread and not slenderize so much.

Mr. O'MAHONEY. I would have them eat more meat, which would be very slenderizing.

Mr. BORAH. Mr. President, we do not have to change the waist lines of the women to have the bread of the country consumed. If all women are permitted to eat, they will all still have slim figures when we get through on the basis of the present production of the United States.

This discussion of a surplus is based upon the fact that the people of the United States are not eating what they ought to have. There is no surplus in the United States except you propose to reduce the population by some 40,000,000 needy people. It is true, by reason of the fact that millions are not getting enough to eat, and necessarily they do not have an ordinary decent standard of living, that there is a surplus, but there is no surplus in the United States except upon that theory. When we talk about 200,000,000 bushels of wheat as a surplus, what is meant is that there are millions of people who cannot get the 200,000,000 bushels of wheat to eat; and we are legislating upon the theory that they are not to have any part or partake of this 200,000,000 bushels of wheat. We are simply closing our eyes and ears and forgetting them.

Mr. MCGILL. Is the farmer to be held responsible for the fact that the goods he produces are not properly distributed?

Mr. BORAH. I am not in favor of the farmer being held responsible for it, but I am in favor of holding responsible those who have charge of the legislation of the country which deals with the subject of distribution. Any scheme which seeks to raise farm prices without at the same time dealing with distribution is doomed to speedy failure, and no one knows this better than the farmer. It is amazing to me how people can talk about surpluses when uncounted thousands are praying for that which is called a surplus.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 21, commencing in line 4, and extending to the bottom of page 23.

The amendment was agreed to.

The PRESIDING OFFICER. Certain amendments offered by the Senator from New York [Mr. COPELAND] yesterday went over. Does he care to have them taken up at this time?

Mr. COPELAND. Mr. President, the Senator from Idaho [Mr. POPE] is preparing a further amendment, which I think will be very helpful. Yesterday it was agreed, I understood, that two amendments which I offered, one on page 14, line 2, and the other on page 30, line 10, to insert after "corn" the words "for market" should be considered today.



The PRESIDING OFFICER. Does the Senator ask that those amendments be considered now?

Mr. COPELAND. Yes.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 14, line 2, in the committee amendment, after the word "corn", it is proposed to insert "for market", so the paragraph would read:

(a) There shall be established for each farm of any farmer (whether or not a cooperator), producing wheat or corn for market, a soil-depleting base acreage and a normal yield per acre for each such commodity.

The PRESIDING OFFICER. The other amendment of the Senator from New York will be stated so they may be considered together.

The CHIEF CLERK. On page 30, in line 10, in the committee amendment, after the word "corn", it is proposed to insert "for market", so the sentence would read:

Farmers engaged in the production of wheat or corn for market shall furnish such proof of their acreage, yield, storage, and marketing of the commodity in the form of records, marketing cards, reports, storage under seal, or otherwise as may be necessary for the administration of this section and prescribed by regulations of the Secretary.

Mr. GEORGE. Mr. President, I inquire the purpose of the amendments?

Mr. COPELAND. Mr. President, it is to make certain that the language in those two places coincides with the definition of market corn at a later place in the bill. At the bottom of page 71 there will be found this definition:

The term "for market" in the case of wheat and corn means for disposition by sale, barter, exchange, or gift, or by feeding (in any form) to poultry or livestock which, or the products of which, are to be sold, bartered, exchanged, or given away.

It is to make the use of the language in those places conform to that definition. What we are seeking to do by the two amendments is a part of a general plan to relieve the dairy farmer, who is producing milk for market, from certain restrictions which would otherwise apply. The Senator from Idaho [Mr. POPE] will offer a larger amendment, and I am going to suggest, at the end of line 11, page 72, there shall be inserted the following:

Corn shall also be deemed consumed on the farm if used for silage.

The point is that the restrictions shall apply to hard corn and not to fodder corn.

Mr. McNARY. Mr. President, will the Senator state that again?

Mr. COPELAND. On page 72, at the end of line 11, I propose to have inserted the following new sentence:

Corn shall also be deemed consumed on the farm if used for silage.

I think such an amendment would be in line with the plan to relieve the dairy farmer from restrictions which would be most embarrassing to those of us who live in consuming areas where the question of the price of milk is so important.

Mr. POPE. Mr. President, will the Senator from New York yield?

Mr. COPELAND. Certainly.

Mr. POPE. I inquire of the Senator from Georgia [Mr. GEORGE] if he is clear as to the reason for the amendment on page 14, line 2, following the word "corn", by adding the words "for market"? If he is not, I should like to say to him that the establishment of these base acreages have to do with products grown for market and not consumed at home. In other words, there is no necessity for having base acreage where a man produces for consumption at home. Therefore, the Senator from New York asks that the words "for market" be inserted following the words "wheat and corn" in line 2, page 14, in order to make it clear that those acreages relate to farms which produce for market. Following the word "corn", in line 2 at the top of page 14, it is proposed to insert the words "for market." I think that is a desirable amendment because it is in line with the intention of the authors of the bill and is actually provided at

the bottom of page 15 and the top of page 16 where the provision relates to production for market.

Mr. MCGILL and Mr. ELLENDER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield; and if so to whom?

Mr. COPELAND. I yield first to the Senator from Kansas.

Mr. MCGILL. The base acreage is established by this bill, but so far as the provisions of the bill are concerned no one, except those who are producing for market, is governed by them or in any way bound by them. I cannot see where these amendments in any way alter the situation at all. I have no objection to them, but those persons who produce wheat and corn and do not produce them for market are not in any way controlled by the base acreage established under the bill.

Mr. ELLENDER. Mr. President, will the Senator from New York permit me to ask the Senator from Idaho a question?

Mr. COPELAND. I yield for that purpose.

Mr. ELLENDER. With reference to the amendment on page 14, line 2, adding the words "for market", how would that affect the language "soil-depleting base acreage" referred to on page 6, lines 4 and 7, where exemptions are provided for corn and wheat under certain conditions?

Mr. POPE. As I understand, the two are consistent. At the top of page 6 it is provided:

Whenever in the case of corn the aggregate normal yield of a soil-depleting base acreage for such commodity is less than 300 bushels—

And so forth. That is exempt. I do not see that they are inconsistent.

Mr. ELLENDER. Does not the Senator think the language "soil-depleting base acreage", on page 6, should be stricken from the bill? Why is it necessary to have the Secretary of Agriculture fix a base acreage for corn or wheat on every farm in the United States, the production of which is exempt from the marketing provisions of the act?

Mr. POPE. I shall give consideration to the question asked by the Senator from Louisiana and see if there is any inconsistency, and confer with him later.

Mr. COPELAND. Mr. President, have we taken action on my two amendments?

The PRESIDING OFFICER. Without objection the amendment of the Senator from New York to the amendment of the committee on page 14, line 2, inserting the words "for market" after the words "wheat or corn" is agreed to; and without objection the committee amendment, as amended, is agreed to.

The amendment of the Senator from New York, on page 30, will be stated.

The CHIEF CLERK. On page 30, line 10, after the words "wheat or corn", it is proposed to insert "for market", so as to make the paragraph read:

(e) Farmers engaged in the production of wheat or corn for market shall furnish such proof of their acreage, yield, storage, and marketing of the commodity in the form of records, marketing cards, reports, storage under seal, or otherwise as may be necessary for the administration of this section and prescribed by regulations of the Secretary.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. COPELAND. Mr. President, on page 72, line 11, after the word "household" I offer the following amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 72, after line 11, it is proposed to insert:

Corn shall also be deemed consumed on the farm if used for silage.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York.

Mr. COPELAND. I have always said "ensilage," but I have found that the experts around here have used the other word.

Mr. POPE. Mr. President, I may say to the Senator from Wyoming that under the amendment which I propose to offer a little later, all the feed the farmer may need for use



on his farm will be exempted from any storage requirement; furthermore, that ensilage put up by the farmer for his own use will not be counted in connection with producing for market, in connection with the marketing quota. In the first place, it would be very difficult to determine the matter, and it seems to us only fair that where corn is put up in the form of ensilage, and for use on the farm, the farmer might well be exempted from the provisions of the proposed act.

Mr. GILLETTE. Mr. President, will the Senator from Idaho yield?

Mr. POPE. I yield.

Mr. GILLETTE. With the amendment to which the Senator has just referred in mind, is it the Senator's thought to exempt from the provisions of the act ensilage which is fed to meat-producing animals for market, or the products of which are going to market?

Mr. POPE. Yes; that would be true.

Mr. GILLETTE. I will ask the Senator if that is not going to defeat the purpose of the bill, in determining production of corn for market? If the Senator will permit me, the thought was to hold the farmer to an adjustment contract if he is producing corn for market, or if he is feeding to animals the meat products of which go to market. The only exemption we have provided is as to corn for home consumption, for the use of the family, the work animals, or animals the products of which do not go into the market. Is it the Senator's thought, in offering this amendment, that we are to open the field again, and if ensilage is put in the silo and fed to cattle, and the corn products used in that method, instead of husking it and putting it in the crib, the farmer is to be exempted from the adjustment contract?

Mr. POPE. That is the effect of the amendment. I think it is a question of debate as to what extent ensilage is fed to hogs and other livestock. My information is that it is not fed to any great extent, and that this exemption would not have any serious effect upon the purpose and effect of the act. It would be very difficult to administer, as the Senator can see. Since the Senator comes from a great corn-producing State, I should be glad to have his opinion as to whether ensilage is used, to any considerable extent in the feeding of livestock, or to such an extent as would impair the effectiveness of the proposed law.

Mr. O'MAHONEY. Mr. President, will the Senator from Idaho yield?

Mr. POPE. I yield.

Mr. O'MAHONEY. If the Senator from Iowa will pardon me—

Mr. GILLETTE. Certainly—

Mr. O'MAHONEY. I was going to say that I think it would be well not to consider this amendment at this time. The Senator from Idaho yesterday read an amendment which has had the consideration of the Department of Agriculture, with respect to the effect on the incomes of producers of livestock, and it seems to me that the amendment now proposed by the Senator from New York is of so much importance in connection with the same problem that the two amendments ought to be considered together. Of course it is a departure from the regular order for an amendment of this kind to be considered until after the committee amendments are disposed of. I feel that the Senator from New York should not insist upon his request for consideration of his amendment at this time.

Mr. POPE. It is entirely agreeable to me that it be considered later, when the amendment which I offered in connection with dairying is presented.

Mr. COPELAND. So far as I am concerned, Mr. President, I have no objection, except that I thought we had an understanding yesterday that all the matters which had to do with the feeding of dairy cattle should be considered together at this time.

Mr. McNARY. Mr. President, I do not find myself in accord with any of the statements made. The purpose of the Senator from New York is to take dairying out of the operation of all the provisions of the bill. The purpose of

the amendment I introduced on behalf of the milk cooperators, as well as the amendment proposed by the Senator from Idaho, is to deal with the acreage diverted for soil-conserving and soil-building purposes so as not to expand the dairy industry. That is the distinction between the two theories.

The Senator from New York is discussing a wholly different problem, raised yesterday by the Senator from Idaho or the Senator from Oregon. They are dealing with diverted acres. The Senator from New York is attempting to take out of the bill any matters appertaining to its application to the dairy industry. I can see no reason why we cannot deal with the Senator's problem quite apart from the dairy or livestock problem, which I wish to present in my own time, when we reach the stage of individual amendments.

Mr. GILLETTE. Mr. President, the Senator from Idaho honored me with an inquiry, and I shall answer it as best I can. It is a well-known fact that in the corn areas 85 percent of the corn is marketed on the hoof, as we call it, or in meat-producing animals. Any corn quota such as we have devised here must of necessity take into consideration the 85 percent, rather than the 15 percent. It is also common practice in feeding stock to feed ensilage. A large portion of the corn crop is put into silos and fed to the cattle for fattening, as well as to hogs; and if we are exempting from the provisions of the bill the presentation of an adjustment contract and the necessity for conforming with it corn that goes into animals in the form of ensilage or in the form of ear corn, in my opinion, it will be destructive of the purpose of the bill.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. GILLETTE. Gladly.

Mr. COPELAND. Would the Senator object to this amendment if it were modified to read "Corn shall also be deemed consumed on the farm if used for ensilage to feed dairy cattle"? That would be a relatively small amount.

Mr. GILLETTE. Mr. President, I realize fully what the Senator from New York has in mind and I sympathize with it; but may I suggest to him that if that were done it would stimulate more than any one thing he could imagine the competition in building up the dairy industry in competition with the industry in his own State, because if the farmers in the State of Iowa and in other States could use corn for the purpose of feeding it to dairy cattle and marketing the milk and butter and cheese they would have every incentive to do it and would not be bound by the provisions of the law.

Mr. COPELAND. Mr. President, will the Senator yield further?

Mr. GILLETTE. Certainly.

Mr. COPELAND. If I and the rest of us who are interested in the dairy farmers sit silent when this bill is passed, I suppose the dairy farmer then will thrive as he never has before. Is that the view of the Senator?

Mr. GILLETTE. Mr. President, I may state as a preliminary to my answer that I am a dairy farmer. Before I came to Congress I milked cows and sold the products, and I have every sympathy with the dairy farmers. I am interested, as the Senator is interested, in dairymen in connection with the pending bill and its administration. However, I greatly fear that what the Senator is trying to do would destroy the very thing he has in mind by way of protecting them from the administrative features of the bill.

Mr. ELLENDER. Mr. President, will the Senator from Iowa yield to me?

Mr. GILLETTE. I yield.

Mr. ELLENDER. Is it not a fact that under the bill the dairy farmer can become a cooperator if he desires, and produce all the corn he wants to produce?

Mr. GILLETTE. He must become a cooperator in order to receive the benefits if he is feeding his corn to dairy cattle.

Mr. POPE. Mr. President, will the Senator yield to me?

Mr. GILLETTE. I yield.

Mr. POPE. Is the Senator familiar with the amendment which I read yesterday in the course of the discussion of



this matter, and which is this morning printed, in connection with the dairying features of the bill? Has the Senator read that? I propose to call it section 66, and it will appear at the end of the bill.

Mr. GILLETTE. Mr. President, I am not at all familiar with it. The first time I had it called to my attention was when the Senator rose a while ago and I propounded an inquiry to him with reference to it.

Mr. POPE. This is the amendment to which the Senator from Wyoming referred a few minutes ago as having been prepared by the Department rather carefully to deal with the whole dairying problem. I should be interested in the Senator's judgment on the effect of it in accomplishing generally the purposes which the Senator has in mind.

Mr. DUFFY. Mr. President, will the Senator from Iowa yield to me?

Mr. GILLETTE. I yield.

Mr. DUFFY. In my State, one of the leading dairy States, perhaps, the farmers for years and years have been carefully building up their dairy herds and have produced just enough corn to fill their silos. They have not sold any; it has not gone out into the market at all. As I understand the way the bill would operate, if there were some sort of a national quota, the farmer would either have to cut down or sell off his herd, or he would have to go out where he could, somewhere, in the market, and buy green corn, in the stalks, in order to fill his silo, or else remain with his silo, say, two-thirds or three-quarters full.

Mr. GILLETTE. He could become a cooperator, and he would have to become a cooperator, under the bill. He would be tendered an adjustment contract if he was feeding in that way and could comply with the provisions of the bill.

Mr. DUFFY. As I understand, the bill differs from the House bill. There are no areas provided; it would apply all over the country. There would be no particular corn areas provided.

Mr. GILLETTE. I am not familiar with that.

Mr. DUFFY. In the bill in the House there are certain areas provided where the law can apply as to corn.

My point is that the dairy farmer in my State thinks it is eminently unfair to him, who has never helped to create a surplus in the corn market, who has never sold any corn, who has only produced enough corn to fill his silos in order to get his herd through the winter. Now he is faced with the situation where he has the acreage available, he has been cultivating his soil in accordance with the soil-conserving practices during the year, and suddenly he will find himself up against the proposition that he will not even be allowed to raise enough corn on his farm to fill his silo in order to take his herd through the winter.

It is said he can cooperate and get some benefit payments, but he has his herd, developed over a long course of years, and he will have to sell it or dispose of it in some other way. I do not think the dairy farmers of my State would feel that I was properly representing them if I supported the bill with that kind of a provision in it.

Mr. HATCH. Mr. President, will the Senator from Iowa yield?

Mr. GILLETTE. I yield.

Mr. HATCH. During the discussion which has proceeded I think perhaps there may have been some misunderstanding as to the effect of the amendment. I was about to ask whether the Senator from New York would not have his amendment printed and let it go over for the day, so that we could study it and see just what its effect would be. Would the Senator from New York be willing to do that?

Mr. COPELAND. I am perfectly agreeable to that. If that is to be done, I suggest that the other amendment, which the Senator from Idaho [Mr. POPE] will present, be printed also, so that we may have that, too.

Mr. POPE. Mr. President, will the Senator from Iowa yield?

Mr. GILLETTE. I yield.

Mr. POPE. May I inquire what point we have reached in the bill?

The PRESIDING OFFICER. The parliamentary situation is that unanimous consent was given for the consideration of the amendment offered by the Senator from New York to the text on page 72.

Mr. O'MAHONEY. Mr. President, I thought that before consent was granted there was an interposition. I took the floor, and, while not making a formal objection, I did ask the Senator from New York to let the amendment go over, and he has now granted that request.

The PRESIDING OFFICER. The question is on passing over until tomorrow the amendment of the Senator from New York.

Mr. McNARY. Mr. President, I think it is proper, but I do not want any limitation as to tomorrow, because we might not reach it until several days after tomorrow. May we have an understanding that it merely goes over without prejudice?

Mr. GILLETTE. Mr. President, before that is done I should like to say a word. I have every appreciation of the difficulty which has been referred to by the Senator from Wisconsin. This is so important to the dairy farmers, it is so important that an amendment be not adopted that would destroy the bill, I think it should be approached with a great deal of care. So far as I am concerned, I should be glad to have it go over and to see if something could be worked out. I doubt very much whether anything can be worked out, but I hope something can be.

The PRESIDING OFFICER. The Chair has been informed by the parliamentary clerk that the use of the word "tomorrow" in a request of this kind means when the Senate is ready to take the matter up, and does not necessarily mean the next day.

Is there objection to the request? The Chair hears none, and the amendment of the Senator from New York [Mr. COPELAND] will be passed over.

The clerk will state the next committee amendment.

The next committee amendment was, on page 24, line 1, to strike out the heading—

Marketing quotas.

The amendment was agreed to.

The next committee amendment was, on the same page, in line 2, to insert:

Establishment of quota.

The amendment was agreed to.

The next committee amendment was, on page 24, in line 4, after the word "for", to strike out "any major agricultural commodity" and insert "wheat or corn", so as to read:

Whenever on the thirtieth day prior to the beginning of the marketing year for wheat or corn.

Mr. McNARY. Mr. President, when this bill was taken out into the country and read to the country folks the marketing quota applied to all of the commodities mentioned in the bill. As I recall, now the marketing quota, particularly in this fashion, does not apply to cotton, tobacco, and rice.

Mr. POPE. Mr. President, will the Senator yield at that point?

Mr. McNARY. I yield.

Mr. POPE. I call the attention of the Senator to the fact that the marketing quota does apply to those commodities, but not at this point in the bill. The cotton quotas are to be found, for instance, on page 31, and the tobacco and rice quotas are found later in the bill.

Mr. McNARY. Oh, yes; they apply, but not in the manner that wheat and corn are dealt with.

Mr. POPE. Substantially so.

Mr. McNARY. Oh, no. I will demonstrate that to the Senator before I get through. It is just another discrimination against the producers of wheat and corn.

Mr. President, in presenting this matter it is necessary to look at lines 8, 9, and 10 on page 24. There the percentages are given which appertain to the establishment of quotas. The language is stricken out. I should like to ask the Senator from Idaho [Mr. POPE] or the Senator from Kansas



[Mr. McGILL] why they have stricken out the percentages found in lines 8, 9, and 10 on page 24 of the bill?

Mr. POPE. Mr. President, the figures have been transferred to another portion of the bill, and were necessarily stricken out at this point.

Mr. McNARY. Is there a provision in another portion of the bill dealing with the matter of cotton exceeding 15 percent of the normal supply? If so, I should like to have the Senator point it out.

Mr. POPE. I understand that the percentages with reference to different commodities vary. The provision with respect to cotton will be found in the cotton section of the bill. The provision of 20 percent for wheat is stricken out on page 24 of the bill; likewise the provision of 10 percent with reference to tobacco and other commodities. They are dealt with in other portions of the bill.

Mr. McNARY. But as the bill was taken around the country the Senator must have told the farmers that prior to the beginning of the marketing year cotton, wheat, corn, tobacco, and rice were going to be dealt with, and when the Secretary of Agriculture had reason to believe that the total supply would exceed the normal supply thereof by the following percentages, cotton, 15 percent; wheat, 20 percent; field corn, 10 percent; tobacco, 10 percent; and rice, 10 percent; the Secretary then should hold hearings at some principal place in the area or areas.

I am now asking the Senators why they struck out the reference to wheat, cotton, and rice; also the percentages; and if they inserted those percentages at some other point, where they inserted them?

Mr. POPE. Mr. President, if the Senator will read on beyond the portion stricken he will find that the provision with respect to wheat is 10 percent, instead of 20 percent, and corn 10 percent. As I said a few moments ago, the provisions relating to rice, cotton, and tobacco are in other portions of the bill which deal with those commodities.

Mr. McNARY. I ask the Senator, in what other portions of the bill is to be found this language which is stricken from the bill at the place that I am referring to—the bill which the Senators took out to the country folks?

Mr. POPE. I will leave those matters to Senators who are familiar with them. The Senator from Alabama [Mr. BANKHEAD] is familiar with the cotton provision.

Mr. McNARY. I am willing to yield to any Senator. I simply asked the question.

Mr. BANKHEAD. Mr. President, if the Senator will examine page 33 of the bill he will find that 35 percent is declared to be a reasonable carry-over at the end of each marketing year.

Mr. McNARY. Oh, yes. We discussed that matter the other day. I said to the Senator that I thought 35 percent was a reasonable carry-over. That does not have anything to do whatsoever with what I am discussing. I have appealed to someone to explain to me about the marketing quota. When this bill was taken out and read and explained to the country people it provided the marketing year for all these commodities; and when the Secretary believes that the total supply exceeds a certain amount—that is, the carry-over, plus the estimate of the current year's production—then what does he do with all these commodities? He holds hearings when he believes that the total supply at the beginning of the current year, which is June 1 for wheat and August 1 for cotton, will exceed the normal supply therefor, that is the average over a period of 10 years, by the following percentages: Corn 15 percent, wheat 20 percent, and other percentages for other commodities. That is the bill the boys down on the farm were discussing.

Mr. BANKHEAD. Not in the cotton section.

Mr. McNARY. Did Senators have a different bill which they took down to the cotton section of the country?

Mr. BANKHEAD. We did not take any down.

Mr. McNARY. Oh, Senators did not take any bill down?

Mr. BANKHEAD. No; we did not. We went through the country searching for the views of the farmers.

Mr. McNARY. That is a revelation. I thought Senators were down there studying.

Mr. BANKHEAD. I hope that will satisfy the Senator on the cotton question.

Mr. McNARY. It explains many things.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. ELLENDER. I desire to state to the Senator from Oregon that it was my privilege to attend all of the meetings, and the only place where the bill was mentioned to any extent was in the Northwest. In the South it was seldom referred to.

Mr. McNARY. Senators were ashamed of it in the South?

Mr. ELLENDER. No; that is not the reason. The commodity under discussion was different from the one produced in the South. The farmers of the Northwest desired voluntary control and those from the South favored control with teeth in it if we could give it to them.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. McNARY. Mr. President, I like to be accommodating to Senators, but my 15 minutes are rapidly being used up. I will yield, however, to the Senator from Kansas.

Mr. McGILL. I have several times stated on the floor of the Senate, and I do not think I should take time to reiterate it, that at each and every meeting of the subcommittee, of which I happened to be chairman, it was announced to those who assembled that the scope of the hearing was not limited to the terms of any bill pending in Congress, and that all farmers were entitled fully to express their views. My judgment is that some farmers had read and discussed this bill, and that the committee amendments have been adopted because they are in line with the expressed views of the farmers who came before the subcommittee.

Mr. McNARY. Mr. President, there is no imputation upon my part that the eminent Senator from Kansas is unfair at all. I have never intended to convey that impression to him. I think it is just unfortunate that he had to take this sort of a bill around and talk to the boys about it.

Mr. McGILL. The Senator is in error in saying that I took the bill around and talked about it. We discussed all bills pending in the Congress and called attention to them. So this bill was not particularly brought to the attention of those who assembled.

Mr. McNARY. I do not blame the Senator for not particularly bringing it to the attention of the farmers.

Mr. President, I have only a minute or so left. I have not heard an explanation by anyone as to why wheat and corn have again been placed on a basis wholly different from that told to the boys down on the farm, and without any cotton limitation whatsoever, excepting on a quite immaterial matter, quite an unrelated matter referred to by the Senator from Alabama [Mr. BANKHEAD], which refers to a normal year of domestic consumption and the carry-over therefor. I suppose my inquiry will simply result in my taking my seat and not having an answer, but I think it is another example of unfair advantage and discrimination against the corn and wheat producers.

Mr. O'MAHONEY. Mr. President—

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Oregon yield to the Senator from Wyoming?

Mr. McNARY. I yield.

Mr. O'MAHONEY. What is the Senator's understanding of the requirement which brings the marketing quotas into effect with respect to cotton and tobacco?

Mr. McNARY. That is found in section 21. There are three levels of production. The total supply must be ascertained by the Secretary of Agriculture. When he ascertains the normal supply, and if he finds that the total supply is greater than these percentages, then he calls a meeting in the area.

Mr. O'MAHONEY. Will the Senator for the benefit of the Record state precisely and briefly the difference, in his opinion, in the operation of this bill as now presented to us with respect to wheat and corn, and its operation with respect to cotton and tobacco?

Mr. McNARY. There is no operation regarding cotton, tobacco, and rice in this respect. This provision deals with



corn and wheat, and it is the preliminary step which must be taken before a quota is to be placed. If the Secretary's findings conform to the language of the bill, then the Secretary calls a public meeting at which time he tries to ascertain the facts. He does not need to do that, because the Bureau of Agricultural Economics would have all this data in its possession long before, and in better shape than the farmers could give it. But it is an attempt to show that they are very fair to the farmer in calling a meeting and in getting the facts and statistics. As to cotton, as to tobacco, and as to rice, no meetings of this kind are called whatsoever.

Mr. O'MAHONEY. In other words, the wheat and corn farmers are the only farmers to be called in under this section?

Mr. McNARY. Exactly, and for a useless purpose, because, I repeat, the Bureau of Agricultural Statistics, the Bureau of Agricultural Economics, would have all this data in their possession long before and in better shape than the farmers could give it.

Mr. POPE. Mr. President, may I ask the Senator from Oregon one question?

Mr. McNARY. Yes.

Mr. POPE. Whenever the Senator finds different treatment of different commodities in connection with this bill, he immediately asserts that the corn and wheat farmers are discriminated against; and he makes that assertion in connection with this particular amendment. Will the Senator state clearly, and as simply as he can, in what way the corn and wheat farmers are discriminated against in connection with marketing quotas?

Mr. McNARY. I have stated in this instance, as I have done probably seven or eight times before, that the discrimination has been against the wheat and corn farmers in favor of the producers of rice, tobacco, and cotton, because in the case of those commodities, whenever there is a requirement of any kind, whenever the Secretary is given any power whatever, whenever a rule or regulation is promulgated, those commodities are taken out of the bill, and again adjustment contracts are required of wheat and corn growers, and various benefits are withheld and penalties imposed. When you went out to the folks at home, you told them that they would be called into a meeting, and that if certain crops were found to be in excess of certain percentages the movement for a quota would be started. This is preliminary to the establishment of a quota. It is the first step. When you came in here with the bill, you required the wheat and corn producers to come to these meetings; you reduced the percentage; you cut out entirely the requirements as to the cotton and tobacco and rice producers. They are all the first movements, the initiatory proceedings, to bringing about that which I think is the cruel thing in this whole matter—the imposition of a quota upon all these commodities.

Mr. POPE. Mr. President, does the Senator regard it as a cruel thing to the wheat and corn farmers to advise with them before such a quota is put into effect? I do not know whether that is wise or not; but does the Senator regard it as a cruel and discriminatory thing to call them in, advise with them, and ask them whether they want it or not?

Mr. McNARY. Oh, no; the Senator from Idaho did not get the application of the word I used. Bringing the farmers together in a meeting is a useless thing. It is a foolish thing. It is an unnecessary inconvenience. The cruelty, as I have stated and as I think we shall be able to demonstrate, comes in the quota, and the punishment which follows for disobeying the quota. That is the cruelty; but this is the preliminary step which you take after you get the farmer to the meeting, before you place him on a quota and provide a punishment for his noncompliance with it.

The PRESIDING OFFICER. The time of the Senator from Oregon on the amendment has expired. The question is on agreeing to the amendment reported by the committee. Without objection, the amendment is agreed to.

Mr. McNARY. Mr. President, I cannot permit it to be said that the amendment is agreed to without objection. If that were done, the Record would carry the impression

that the Senate was unanimously in favor of the amendment. I certainly wish to urge my most hearty and stout opposition to the amendment.

The PRESIDING OFFICER. The Chair will again put the question after the amendment is stated by the clerk.

The CHIEF CLERK. On page 24, line 4, it is proposed to strike out "any major agricultural commodity" and insert "wheat or corn."

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, on page 24, line 8, after the word "percentage" and the colon, to strike out "Cotton, 15 percent; wheat, 20 percent; field corn, 10 percent; tobacco, 10 percent; or rice, 10 percent" and insert "Wheat, 10 percent; corn, 10 percent."

Mr. O'MAHONEY. Mr. President, I desire to call up the amendment, printed several days ago, and offered on behalf of my colleague [Mr. SCHWARTZ] and the two Senators from Colorado [Mr. ADAMS and Mr. JOHNSON], perfecting the committee amendment by striking out "10 percent" with respect to corn and inserting "15 percent."

I trust that the managers on behalf of the committee will accept the amendment.

The PRESIDING OFFICER. The Senator from Wyoming offers an amendment to the amendment reported by the committee, which will be stated.

The CHIEF CLERK. On page 24, line 11, in the committee amendment, after the word "corn," it is proposed to strike out "10 percent" and in lieu thereof to insert "15 percent."

Mr. BORAH. Mr. President, what is it that is changed to 15 percent?

Mr. O'MAHONEY. Mr. President, the provisions of the bill as reported by the committee are to the effect that whenever the Secretary finds, at the beginning of the marketing year, that the supply of wheat or corn will exceed the normal supply by more than a certain percentage, the Secretary shall call the meetings of which the Senator from Oregon [Mr. McNARY] was speaking a short while ago. The Department of Agriculture has been of opinion that these meetings should not be held until, with respect to corn, the normal supply was exceeded by 20 percent. The House bill provides 15 percent and the Senate committee is advocating 10 percent. The change from 10 to 15 percent makes this provision of the bill agree with the House provision, and, in the opinion of those of us who offer the amendment, is an improvement from the point of view of the livestock interests.

Mr. MCGILL. Mr. President, the original bill provided for 10 percent in the case of corn.

Mr. O'MAHONEY. That is correct.

Mr. MCGILL. I should like to know the attitude of the Senator from Iowa [Mr. GILLETTE] with reference to the proposal of the Senator from Wyoming, inasmuch as it affects the corn farmers more than any others.

Mr. GILLETTE. Mr. President, in response to the inquiry directed to me, expressing my personal views, I am in accord with the Senator's proposal; and I understand, further, that it has the approval and is in accordance with the desire of the Department of Agriculture. Am I correct in that statement?

Mr. O'MAHONEY. That is my understanding.

Mr. GILLETTE. Personally, I have no objection to the Senator's amendment.

Mr. POPE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Idaho.

Mr. POPE. I think there is a mistake in the last statement made by the Senator from Iowa, and that at this point the amendment is not in accordance with the desire of the Secretary.

In the letter, the Secretary said that he desired the original provisions of this bill, called the Pope-McGill bill, to remain. It is very easy to confuse two things here. With reference to the normal supply, in the original bill there was



provision for a 5-percent carry-over. In other words, the domestic consumption, the exports, and 5-percent carry-over were to constitute the normal supply. Then there was this provision above normal supply, which represents the point when marketing quotas may go into effect, depending upon the vote of the farmers. So, as I understood the matter, the Secretary referred to the cushion, or the percentage of carry-over in the normal supply, in his letter.

Mr. O'MAHONEY. I am not referring to the Secretary's letter, and I may say that I have not talked over this particular amendment with him personally; but I have talked it over with certain experts in the Department, and it is my understanding that this amendment is in general agreement with the point of view of the Department.

Mr. McGILL. Mr. President, if the Senator will yield, in the bill as it was originally introduced the term "normal supply" as applied to corn meant a normal year's domestic consumption and exports, plus 5 percent. I have not had the matter called to my attention in just the manner proposed by the Senator's amendment.

Mr. O'MAHONEY. I have offered an amendment to that provision also.

Mr. McGILL. If the Senator has an amendment to that provision, does he intend to restore the 5 percent to normal?

Mr. O'MAHONEY. Yes; I am going to ask that that be restored. As a matter of fact, our amendment provides for 7 percent.

Mr. McGILL. Then that would increase the amount of corn on hand 10 percent more than the bill now provides for before a marketing quota could go into effect?

Mr. O'MAHONEY. No; the provision which is being amended here deals only with calling these meetings; and, as I think has already been very well pointed out, the meetings are more or less pro forma. As the bill provides, the Secretary shall within 15 days call a meeting to obtain the facts; and, of course, the facts will already be very well known. The truth of the matter is, the farmers will be appealing to Washington for the facts.

Mr. McGILL. If the Senator from Iowa [Mr. GILLETTE] has no objection to the amendment, I do not know that I should raise any; but I feel that the two provisions should be considered together.

Mr. POPE. Mr. President, if the Senator from Wyoming will yield, I desire to say that those who prepared the bill, including very able representatives of the corn growers of Illinois, and I think in Iowa and some from Kansas, were very positive in their opinion that the bill should remain as it is with reference to 10 percent in connection with the corn quota.

So far as my State is concerned, I have no particular concern about this amendment. We do not raise corn for market to any practical extent; but those who prepared the bill, and those who have been presenting the bill to farmers all over the country, and particularly corn farmers, are insistent that they be given an opportunity to put into effect these marketing quotas without accumulating such a surplus of corn as would be represented here—15 percent, according to the Senator's amendment, and another 5 percent, which would be 20 percent, before a marketing quota could go into effect.

Mr. O'MAHONEY. This matter, of course, goes to the very heart of the problem. No one can have followed this discussion from the day the bill was brought before the Senate to this minute without realizing that, dealing as we are with a limited number of agricultural commodities, we are setting in motion a chain of causes which inevitably will affect dozens of other agricultural commodities. We have spent I do not know how many hours discussing the effect of this bill upon the dairy industry. It is perfectly obvious that if we take certain acreage out of the production of one commodity, we turn it over to the production of another commodity. To prevent a surplus in one commodity, we stimulate the production of another. As a result all sorts of proposals are being made to restrict the use of the diverted acreage. It is

perfectly obvious that we are dealing with an integrated problem; but in this bill we are trying to increase prices for the producers of a limited number of commodities.

Corn is a commodity which is marketed chiefly through livestock. If we unduly restrict the supply of corn, we immediately affect the livestock industry. Therefore, I am frankly seeking to avoid the imposition of the restrictive effects of this bill on corn until the surplus is so great that it is necessary to do it to protect the corn farmer. I do not believe that the restrictive effects should be imposed every year, as they will be under this bill, with the almost certain result that the livestock industry will be very harmfully affected thereby; and since the Department of Agriculture is in accord with the general purpose of the suggestion I make, and since the bill as reported by the House Committee on Agriculture is in accord with this suggestion, I hope it will be adopted by the Senate.

Mr. McGILL. Mr. President, will the Senator yield for a moment before he takes his seat?

Mr. O'MAHONEY. I yield.

Mr. McGILL. If the amendment proposed by the Senator should be adopted, and then if the amendment he proposes on page 67 should be adopted as to what "normal" shall mean, the marketing quotas would not go into effect until there was 10 percent more corn on hand than is now provided for by the bill. While the amendment is in the portion of the section dealing only with the hearings to be called by the Secretary, or to be conducted by him, nevertheless the very next section provides that—

If the Secretary determines on the basis of such hearings that the total supply for the commodity will exceed the normal supply therefor by more than the percentage above specified, he shall proclaim the amount of such total supply and that, beginning on the 15th day after the date of the proclamation, a national marketing quota shall be in effect—

Mr. O'MAHONEY. Yes; the Senator is right about that.

Mr. McGILL. Therefore, the percentage which the Senator is now seeking to add does have to do with the amount on hand at the time when a marketing quota could be put into effect. As the bill is now drawn, the normal supply of corn, being the domestic consumption and carry-over and exports, would be 2,375,000,000 bushels. Under the provisions as they now are contained in the bill, with the committee amendments, should there be 10 percent more than that, the Secretary would be called upon to establish the marketing quota and hold a referendum. If the Senator's amendment is agreed to—if the Senator's time is up I will address the Chair and take the floor—he will have raised the percentage 5 percent in this section, from 10 to 15 percent; then he will go over to page 67 and add 5 percent there to what "normal" means, and will, in effect, say that before a marketing quota can be voted upon by the corn producers, there shall be 20 percent more than the bill now provides.

That is the effect of the Senator's two amendments.

I do not agree that we are seeking to cut down production in a way that will be a detriment to the people of the country generally engaged in other activities or in producing other commodities. This matter has been presented to the corn farmers of the country quite thoroughly, in my judgment, and to some of the very best informed corn farmers of the country. They objected to having the 5 percent added to what would constitute a normal supply. They objected to having a greater amount on hand before they should have the right to vote as to whether a marketing quota should be enforced upon them.

In my judgment, the Senator's amendment should be rejected. The committee amendment is identical with the language of the original bill so far as the commodity of corn is concerned. The Senator proposes to add to that, and later proposes to add to what shall be the normal supply. The Secretary of Agriculture, in his letter, if we are to be guided by his judgment—and, of course, we should take it into consideration in determining what we shall do—stated, as I understood, that he desired the terms of the original bill with



reference to corn. Those terms would represent the 10 percent as we now have it and would add 5 percent to the meaning of the term "normal" in the bill. If we are to be guided by the Secretary's letter, we should reject the amendment of the Senator from Wyoming.

Mr. FRAZIER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. BLBO in the chair). The Senator will state it.

Mr. FRAZIER. Does the pending amendment include an increase in wheat as well as in corn?

The PRESIDING OFFICER. It does not. The amendment of the Senator from Wyoming affects corn only.

Mr. FRAZIER. I suggest to the Senator from Wyoming that he include wheat as well as corn in his amendment.

Mr. O'MAHONEY. Mr. President, I am not speaking for a wheat-growing State. I did not presume to incorporate wheat in the amendment; but if the Senator from North Dakota cares to perfect the amendment by offering such a change, I shall be very glad to accept it.

Mr. McGILL. Mr. President, I do not think the Senator from Wyoming quite means what he said in his last statement. In this section the committee amended the percentage of wheat, but did not amend the percentage of corn.

Mr. O'MAHONEY. The committee cut the wheat percentage from 20 to 10, and the Senator from North Dakota is objecting to that.

Mr. McGILL. The same argument does not apply. We did not change this section insofar as the percentage of corn is concerned. We made a change later on as to what the term "normal" means. We did that as to wheat, and we also changed the percentage of wheat.

Let us take a vote on the question with reference to corn and also a vote with reference to wheat, but they ought not to be voted on together. There is a difference in the argument applicable to them.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wyoming, on page 24, line 11, to strike out "10 percent" and insert "15 percent."

Mr. FRAZIER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FRAZIER. Can an amendment be made to the amendment to include 15 percent on wheat also?

The PRESIDING OFFICER. After the amendment of the Senator from Wyoming is disposed of, the Senator from North Dakota can offer such an amendment.

Mr. ADAMS. Mr. President, I wish to direct an inquiry to the Senator from Wyoming [Mr. O'MAHONEY] as to the second portion of the amendment. On page 67 of the bill is a definition of what constitutes a normal supply of various agricultural commodities, and that normal supply so defined is the basis of the compilation to be made on page 24.

Mr. O'MAHONEY. That is correct.

Mr. ADAMS. In that definition a normal year's supply of wheat is domestic consumption and exports plus 10 percent thereof as an allowance for a normal carry-over; for cotton, a normal year's domestic consumption and exports plus 35 percent; rice, an increase of 10 percent; for tobacco, an increase of 175 percent; but corn, and corn alone, is held down in computing the normal supply for the purpose of this computation to the actual consumption and exports.

I inquire of the Senator from Wyoming if he knows why there should be this apparent discrimination against corn?

Mr. O'MAHONEY. I have found no adequate explanation of that difference. I do not know why corn should be treated upon a different basis from any other of the so-called surplus commodities.

Mr. ADAMS. The argument which was addressed to the Senator from Wyoming was that if his amendment should be adopted and 7 percent added on page 67 to compute the normal supply of corn, then when we went back to page 24 we would have 17 percent, but in the case of wheat as it now stands it would be 20 percent. In other words, we are not bringing corn to a parity with wheat under the amendment proposed by the Senator from Wyoming.

Mr. O'MAHONEY. The Senator from Colorado is exactly right about that as I see it.

Mr. McGILL. Mr. President, the bill as originally drawn—the language on page 67—defines a normal supply of corn as "a normal year's domestic consumption and exports, plus 5 percent." That 5 percent was stricken out by the committee. In the case of wheat, the standard is the normal domestic consumption and exports, plus 10 percent. There is every reason in the world why "normal," as to the consumption and exports of wheat, should be greater than that as to corn because the export of corn is almost nil, but there is a great deal of wheat on the export market. In my judgment, the loan values on wheat ought not to be as high as on corn. We have changed the definition of "normal" for wheat, as I recall. I think the original bill defined "normal" to mean all domestic consumption and exports, plus 20 percent. We have reduced it to 10 percent, and have reduced corn 5 percent, and have really treated them in about the same way. I think there has been no discrimination. The reason for the difference is that one is more on an export basis than the other.

Mr. ADAMS. One of the fundamentals of the bill is the establishment of an ever-normal granary. In other words, it is hoped that during the good years a reasonable surplus will be accumulated to tide the country over the years when there may be a deficit. As between wheat and corn, there is this difference: I come from a State that produces relatively more wheat than corn, but corn affects other domestic industries probably more than wheat. We have the livestock industry dependent upon corn. It seems to me there is certainly as much reason for having an adequate supply for carry-over of corn from the good years as in the case of wheat. In this particular, from the standpoint of the feeder of livestock, none of us want the feeder of livestock to be caught in a jam and unable to feed his livestock. We are interested in fair prices for the producer of corn and we want adequate supplies of feeding material for the producer of livestock. It seems to me that if we treat corn as asked in the amendment of the Senator from Wyoming, it would be only fair.

Mr. McGILL. This has no application to the amount to be produced or the amount to be put in the granary. This has to do only with the time when the farmer has a right to vote relative to a marketing quota.

Mr. ADAMS. It all goes back to the question of the quota on page 24 of the bill, because those provisions are all tied together.

Mr. O'MAHONEY. As the Senator from Colorado has so well stated, with respect to every other commodity there is a specific provision in the bill for carry-over, but there is no provision in the bill for carry-over of corn. In other words, the quota provisions, the election provisions, the restrictive control provisions with respect to other commodities, do not go into effect until there is a substantial carry-over; but with respect to corn they go into effect almost immediately. From the point of view of the livestock industry it seems to me impossible to conceive why that exception should be made, and how we can avoid feeling that it constitutes a different interpretation of the law from the viewpoint of the livestock industry.

Mr. McGILL. Mr. President, I still contend the percentage we are providing has to do only with when the time quotas shall go into effect, not with the amount produced or carry-over or anything of the sort. Probably it is not as necessary to have as large a carry-over as we sometimes think. As I understand, throughout a good many years of our history we have never had a shortage of corn except during the recent drought. That was the only time in the history of the country. We have always had more than an ample supply. We have never had a shortage of wheat, regardless of the drought, but have more than an ample supply, and have had an ample supply at all times.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming [Mr. O'MAHONEY] to the committee amendment.



Mr. McNARY. On that I call for the yeas and nays.  
The yeas and nays were not ordered.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Lee	Pope
Andrews	Dieterich	Lodge	Reynolds
Austin	Donahay	Logan	Russell
Bankhead	Duffy	Lundeen	Schwartz
Barkley	Ellender	McAdoo	Schwellenbach
Berry	Frazier	McCarran	Sheppard
Bilbo	George	McGill	Shipstead
Borah	Gerry	McKellar	Smith
Brown, Mich.	Gibson	McNary	Steiwer
Brown, N. H.	Gillette	Maloney	Thomas, Okla.
Bulkeley	Graves	Miller	Thomas, Utah
Bulow	Guffey	Minton	Townsend
Burke	Harrison	Moore	Truman
Byrd	Hatch	Murray	Tydings
Byrnes	Hayden	Neely	Vandenberg
Capper	Herring	Norris	Van Nuys
Caraway	Hitchcock	Nye	Walsh
Chavez	Johnson, Calif.	O'Mahoney	
Clark	Johnson, Colo.	Overton	
Connally	La Follette	Pepper	

The PRESIDING OFFICER. Seventy-seven Senators having answered to their names, a quorum is present.

The question is on the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] to the committee amendment.

Mr. POPE. Mr. President, so far as this amendment is concerned it does not affect my State. My State does not produce corn for market.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me for a moment?

Mr. POPE. I yield.

Mr. O'MAHONEY. In view of the fact that we have just had a quorum called for the purpose of having a vote upon this question, I feel that it might be proper for me to make a word of explanation in advance of the Senator's statement so that Senators who have just come into the Chamber may know what the proponents of the amendment desire to accomplish.

Mr. POPE. I wish to say to the Senator that I can speak only once on the amendment, and I shall lose my opportunity to say what I intended to say if I yield the floor. I should be glad to yield otherwise. I think what the Senator suggests would be the logical way of presenting the matter.

Mr. O'MAHONEY. I would be speaking in the Senator's time and would make my statement very brief.

Mr. POPE. Very well.

Mr. O'MAHONEY. Mr. President, the amendment on page 24, line 11, changing from 10 to 15 the percentage which governs the preliminary requirement before the marketing quota shall come into effect, goes to the heart of the problem presented by the bill. The Secretary of Agriculture has indicated that his theory is the establishment of an ever-normal granary. To that end he desires that there shall be a substantial carry-over of the various commodities which are dealt with in the bill.

With respect to every one of these commodities Senators will see, by looking at page 67, that there is a substantial carry-over, except in the case of corn. The normal supply of wheat is defined as a normal year's domestic consumption and exports plus 10 percent.

The normal supply of cotton is defined as a normal year's domestic consumption and exports plus 35 percent.

The normal supply of rice is defined as a normal year's domestic consumption and exports plus 10 percent.

The normal supply of tobacco is defined as a normal year's domestic consumption and exports plus 175 percent.

The normal supply of corn is defined as a normal year's domestic consumption and exports, with no excess to provide for the normal granary.

Corn is an essential element in the feeding of livestock. The interposition of these restricted quotas upon corn will have an inevitable and almost immediate effect upon the livestock industry. Those of us who are representing States which are active in the livestock industry believe that

there should be at least the same carry-over or a similar carry-over for corn as there is for the other commodities. So we have presented this amendment, which changes the figure from 10 to 15 in one part of the bill, and the companion amendment, which makes the provision for a carry-over of 7 percent, making a total carry-over, as I understand, of about 2 or 3 percent greater than that which was originally provided.

The Department of Agriculture is in substantial agreement with this amendment. The House committee has reported a bill which contains the provision contained in my amendment.

Mr. POPE. Mr. President, how much time do I have on the amendment?

The PRESIDING OFFICER. The Senator has 12 minutes.

Mr. POPE. I hold in my hand the letter from the Secretary to which reference has been made a number of times. The Secretary himself is from Iowa, a corn State, and I think his opinion on this point would be very valuable. I quote what he says in the letter:

Restoring the Pope-McGill bill's reserve supply levels to the committee bill would liberalize marketing quota provisions for the farmer, make the use of quotas less frequent, and reduce the degree of so-called compulsion to a lower and hence a more desirable minimum.

The original provisions of the bill, to which the Secretary referred, provided 10 percent for corn above the normal level as the point when marketing quotas might go into effect. The amendment of the committee contains the same figure, 10 percent. The only reason for putting it in italics is that the other portion was stricken out and the original restored. So the amount is 10 percent in the bill, which the Secretary approved.

With reference to the percentage in the normal supply level, before we calculate this additional 10 percent, the amount there was originally 5 percent for corn. The committee struck out the 5 percent. The Secretary recommends that in another part of the bill the 5 percent be restored. I think that ought to be cleared up, because the Senator from Wyoming has just said that his amendment was in accordance with the Secretary's letter. I think he is mistaken about that.

Mr. O'MAHONEY. I did not say that; I said it was in accordance with the views of the Department of Agriculture.

Mr. POPE. I have the Secretary's views very clearly expressed in the letter, and have referred to the letter. So if we desire to give value to the Secretary's opinion, then we should vote down the amendment of the Senator and keep the figure as it is in the bill.

I make this statement because many corn farmers have been in conference with us in connection with this matter. These corn farmers desire even a lower level than that contained in the bill and approved by the Secretary. I think their views should be given some consideration. I do not see either of the Senators from Illinois on the floor, but many farmers from Illinois have expressed themselves to that effect. Farmers from Iowa have expressed themselves in the same way. One of the Senators from Iowa favors the amendment. The other Senator from Iowa may express himself on the matter.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. POPE. I yield.

Mr. GILLETTE. I do not think the Senator quite stated the position I took. I stated that personally I could see no objection to the amendment if it was in accordance with the wishes of the Department of Agriculture. From the statement the Senator has just made it apparently is not in accordance with the views of the Department of Agriculture.

Mr. POPE. I think that is entirely true. I want to be fair in this matter. So far as I am personally concerned, and so far as my State is concerned, I have no objection to the amendment of the Senator from Wyoming, but I do think that the interests of the corn farmer should be presented and that the Secretary's view should be made clear on this point. I rose, therefore, to make those matters clear.



Mr. MCGILL. Mr. President, will the Senator yield to me?

Mr. POPE. I yield.

Mr. MCGILL. In order to make the matter clear, and confining ourselves to the views expressed by the Secretary of Agriculture, as stated in his letter, and not the views merely of someone in the Department of Agriculture, I think the Secretary is very clear that his desire is that on page 67 of the bill there be added, in defining the term "normal supply of corn," the words "exports plus 5 percent as a carry-over," the same as it was in the original bill.

The portion now sought to be amended by the Senator from Wyoming is exactly as it was in the original bill. The only change the Secretary approves or asks for is the addition of the words "5 percent" in the definition of the word "normal" as constituting a carry-over.

Mr. ADAMS. Mr. President, will the Senator yield to me?

Mr. POPE. I yield.

Mr. ADAMS. The Senator from Kansas and the Senator from Idaho state that this 10-percent provision is identical with the Secretary's request. Merely, as a matter of mathematics, in one particular that is not accurate, because the 10 percent applies to the normal supply, to which the Secretary would have added 5 percent. So there is at least 10 percent of that 5 percent which is eliminated. In other words, it was 10 percent of 105 percent, rather than 10 percent of 100 percent.

Mr. MCGILL. That is correct.

Mr. POPE. That is a very small matter; but if the Senate should see fit to restore the 5 percent in the normal supply then with the 10 percent provided in the bill as it is, without the amendment, the wishes of the Secretary would be met.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming [Mr. O'MAHONEY] to the committee amendment on page 24, line 11, to strike out "10 percent" and insert "15 percent."

Mr. O'MAHONEY. On the amendment I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BYRNES (when his name was called). I have a general pair with the senior Senator from Maine [Mr. HALE]. I transfer that pair to the junior Senator from Rhode Island [Mr. GREEN] and vote. I vote "nay."

The roll call was concluded.

Mr. LOGAN. I have a general pair with the senior Senator from Pennsylvania [Mr. DAVIS] who is absent. I transfer that pair to the senior Senator from Connecticut [Mr. LONERGAN] and vote. I vote "nay."

Mr. SHIPSTEAD (after having voted in the negative). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I find that the Senator from Virginia has not voted, so I withdraw my vote.

Mr. MINTON. I announce the pair of the Senator from Utah [Mr. KING] with the Senator from Washington [Mr. BONE]. The Senator from Utah, if present and at liberty to vote, would vote "yea." The Senator from Washington, if present and at liberty to vote, would vote "nay."

I announce that the Senator from Washington [Mr. BONE], the Senator from West Virginia [Mr. HOLT], and the Senator from Delaware [Mr. HUGHES] are detained from the Senate because of illness.

The Senator from New Jersey [Mr. SMATHERS] is detained because of illness in his family.

The Senator from Arizona [Mr. ASHURST], the Senator from North Carolina [Mr. BAILEY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Nevada [Mr. PITTMAN], and the Senator from New York [Mr. WAGNER] are detained in important committee meetings.

The Senator from Virginia [Mr. GLASS], the Senator from Rhode Island [Mr. GREEN], the Senator from Utah [Mr. KING], the Senator from Illinois [Mr. LEWIS], the Senator from Connecticut [Mr. LONERGAN], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Montana [Mr. WHEELER] are detained on important public business.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Maryland [Mr. RADCLIFFE]. The Senator from New Hampshire is absent on official business.

The Senator from Pennsylvania [Mr. DAVIS] is necessarily detained. His general pair has been previously announced. The result was announced—yeas 37, nays 38, as follows:

## YEAS—37

Adams	Copeland	Lodge	Steiwer
Andrews	Dieterich	McCarran	Thomas, Utah
Austin	Donahay	McNary	Townsend
Berry	Duffy	Maloney	Tydings
Borah	Frazier	Moore	Vandenberg
Bulkeley	Gerry	Murray	Van Nuys
Burke	Gibson	Nye	Walsh
Byrd	Johnson, Calif.	O'Mahoney	
Capper	Johnson, Colo.	Russell	
Clark	Lee	Schwartz	

## NAYS—38

Bankhead	George	Logan	Pepper
Barkley	Gillette	Lundeen	Pope
Bilbo	Graves	McAdoo	Reynolds
Brown, Mich.	Guffey	McGill	Schwellenbach
Brown, N. H.	Harrison	McKellar	Sheppard
Bulow	Hatch	Miller	Smith
Byrnes	Hayden	Minton	Thomas, Okla.
Caraway	Herring	Neely	Truman
Connally	Hitchcock	Norris	
Ellender	La Follette	Overton	

## NOT VOTING—21

Ashurst	Glass	Lewis	Wagner
Bailey	Green	Loneragan	Wheeler
Bone	Hale	Pittman	White
Bridges	Holt	Radcliffe	
Chavez	Hughes	Shipstead	
Davis	King	Smathers	

So Mr. O'MAHONEY's amendment to the committee amendment was rejected.

The VICE PRESIDENT. The question recurs on agreeing to the amendment of the Committee on Agriculture and Forestry, on page 24, line 8, to strike out "Cotton, 15 percent; wheat, 20 percent; field corn, 10 percent; tobacco, 10 percent; or rice, 10 percent" and to insert "Wheat, 10 percent; corn, 10 percent."

The amendment was agreed to.

The VICE PRESIDENT. The next amendment of the committee will be stated.

The next amendment of the Committee on Agriculture and Forestry was, on page 24, line 22, after the word "current", to strike out "crops of such commodity" and to insert "crop of such commodity; but no such proclamation shall be issued with respect to the current crop of any commodity if the Secretary has reason to believe that during the first 3 months of the marketing year for such crop of the commodity the current average farm price for the commodity will be more than the parity price therefor."

Mr. WALSH. Mr. President, I desire to ask the indulgence of the Senate while I make a very brief statement as to my position on the farm bill.

The farm bill now before the Senate, embracing elaborate and complicated plans and devices for extending governmental control over agriculture, for lifting the prices of wheat, corn, cotton, tobacco, and rice by restrictions upon production and storage of surpluses, and promising several sorts of bonus payments and crop loans, presents four major questions—four tests by which the measure must be judged.

First. Are the provisions of the bill within the clear and well-defined constitutional power and authority of the Federal Government?

Second. Will the program, if sanctioned by Congress, have the intended result and prove of manifest aid and benefit to the farmer?

Third. Will the program, if effectuated, prove detrimental to the other groups within our 48 States, the workers in our mines and factories, and in our shops and offices, and our railroads?

Fourth. Will the program, if fully carried out, impose additional burdens upon the Federal Treasury and the taxpayers?

From my own examination of this long and complex bill, and in the light of what has been revealed during the progress of the debate in the Senate, I am compelled to conclude that the proposals contained therein, so far from meeting



all four of those tests, do not, in fact, meet a single one of them.

First, with respect to the constitutional question, it is enough to say that the bill proceeds upon the theory that anything, however remote, which may be presumed to affect interstate commerce is within the constitutional power and authority of the Federal Government. A Government agency is to be empowered to decree how much a farmer may plant and how he shall dispose of his crop and to what use he shall put his idle acres, upon the theory that all these things affect interstate commerce, and hence may be controlled by the Federal Government. No court has ever taken any such view, and, in fact, the courts have invariably put a wholly different construction upon the commerce clause of our Constitution. If the theory upon which this bill rests its validity should now be approved by the courts, the result would be to confer upon the Federal Government unlimited and unchecked power and authority over every citizen in every walk of life and in nearly every detail of his daily life.

It could then be argued that the size and kind of a factory a manufacturer decided to build—indeed, the kind of an education a youth decided to secure—could be presumed ultimately to affect interstate commerce, and hence could be lawfully controlled by the Federal Government.

I do not believe any such doctrine will ever be upheld by the courts. The pending bill, under existing constitutional precepts, is utterly indefensible and far and away beyond the Federal power.

As to the question of whether the program contained in the bill could be successfully administered and would prove of aid and benefit to the particular classes of farmers which it is sought to help, it is enough to say that there is no assurance on that score, but, on the contrary, very grave doubt, and very considerable opposition from various farmer groups.

As to the question of the effect and consequences of any such program of artificial scarcity and attempted price boosting upon the country as a whole and upon the workers in industry in particular, it is self-evident that the inevitable consequence would be increased cost of food and clothing, plus increased taxes, both contributing to still further increases in the cost of living.

The bill itself is silent on what it will cost to carry out the program and as to who is to be taxed to pay the cost; and the proponents of the bill have frankly declared that they do not know what the ultimate cost will amount to and explain why by its very nature the total cost is impossible of accurate forecast. The estimates have ranged from seven hundred and fifty million to fifteen hundred million dollars annually as compared with \$500,000,000 being currently expended for the aid and benefit of the farmers under the 1935 farm bill, the so-called soil-conservation control program. These estimates have been made by various Senators, who have been asked to give their estimates on the floor of the Senate Chamber. The so-called soil conservation or control program will, it is said, cost somewhere between the figures named.

It has been suggested by the proponents of the bill that Congress may limit the cost of this new program by the simple expedient of limiting the appropriation to whatever figure Congress sees fit—perhaps to the present \$500,000,000 figure. But such a contention ignores the simple fact that the bill before the Senate undertakes to promise to the farmer parity prices, as well as scheduled acreage payments, and promises to take over all surpluses in maintaining an "ever-normal granary," and that if Congress enacts such a program and legislates such promises and the payments from the Treasury are not forthcoming we shall have perpetrated a swindle upon the farmer through the bill. It is utterly unconscionable to set up a plan of parity payments to the farmer unless we intend to appropriate the funds to meet the payments; and if that be done, then without a particle of doubt we are embarking upon huge additional governmental expenditures at a time when there are the most compelling reasons for refraining from imposing new

and permanent burdens upon the Federal Treasury and the taxpayers.

Mr. President, in conclusion, for all these reasons, briefly stated, I cannot support the bill pending before the Senate. I believe it ought to be recommitted to the Committee on Agriculture and Forestry for further study and for entire revision, and I intend so to vote.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The PRESIDENT pro tempore. The clerk will state the next committee amendment.

The next amendment was, on page 25, line 7, after the words "of the" where they occur the first time, to strike out "national soil depleting base acreage for the commodity computed on the basis of the national average yield for the commodity" and insert "soil-depleting base acreage of each farm", so as to read:

The Secretary shall determine and specify in such proclamation the amount of the national marketing quota for the commodity both in terms of the quantity which may be marketed and in terms of a percentage of the soil-depleting base acreage of each farm. The amount of the national marketing quota for the commodity shall be so fixed as to make available during the marketing year at least a normal supply of the commodity and in no event shall it be less than the normal supply for the commodity adjusted by deducting, first, the carry-over available for marketing and, second, the quantity not produced for market, nor, on the other hand, shall it in any case be greater than the ever-normal granary supply level similarly adjusted.

The amendment was agreed to.

The next amendment was, on page 25, line 23, before the word "farm", to insert "such", so as to read:

(c) Between the date of the issuance of the proclamation specified in subsection (b) (which shall not be later than 15 days prior to the beginning of the marketing year) and the effective date of the national marketing quota, the Secretary shall conduct a referendum of farmers producing the commodity who would be subject to such farm marketing quotas to determine whether such farmers are opposed to such quotas with respect to the current crop of the commodity. If more than one-third of the farmers voting in the referendum oppose such quotas for the commodity, the Secretary shall by proclamation suspend the operation of the national marketing quota with respect to the current crop of the commodity and shall further proclaim that surplus reserve loans shall not be available thereafter with respect to the commodity during the period from the date of such proclamation until the beginning of the second succeeding marketing year.

The amendment was agreed to.

The next amendment was, on page 26, line 10, after the word "supply", to strike out "of any major agricultural commodity", so as to read:

(d) If the total supply as proclaimed by the Secretary within 45 days after the beginning of the marketing year is less than that specified in the proclamation proclaimed by the Secretary under subsection (b), then the national marketing quota specified in the proclamation under subsection (b) shall be increased accordingly.

The amendment was agreed to.

The next amendment was, on page 26, after line 16, to strike out:

(e) No marketing quota shall be placed in effect with respect to any crop of a major agricultural commodity harvested prior to 1938.

The amendment was agreed to.

The next amendment was, on page 26, at the beginning of line 20, to strike out "(f)" and insert "(e)"; and in the same line, after the word "through", to insert "the State, county, and".

Mr. McNARY. Mr. President, this probably is a wise suggestion in the form of an amendment; but I should like to have one of the Senators in charge of the bill explain why the language in the original edition of the bill has been changed to include "State and county," thereby taking away much of the jurisdiction, power, and authority which heretofore was lodged in the local committees under the original edition of the bill.

Mr. McGILL. Mr. President, I will say to the Senator that I did not offer this amendment in the committee. I think



it is an amendment which was proposed by persons from the Department of Agriculture.

Mr. McNARY. Let me remark to the able Senator that he has reported this bill. It is before us. Under the bill, as we studied it, the folks back home thought the local committees were going to have much to do with this question of marketing quotas. It occurs to me, without an explanation, that we are taking the matter away from the local committees, and we are going away off from the farm and the farmer's friends and associates and neighbors back to the State bureaucracy, someone high up in the councils of the State—perhaps the department of agriculture in a particular State—whereas we thought the farmer wanted to deal through his local committee. It may be a good thing, but I should like to have the Senator explain why this edition of the bill was changed from one or two of the others after the measure was presented to the Senate.

Mr. McGILL. Mr. President, in order to pass upon this amendment, I think we must take the two amendments together. The amendment adds, after the words "The Secretary shall provide, through", the words "the State, county, and", and then, after "local committees of farmers", the words "hereinafter provided"—that is, the local committees and the State and county committees as hereinafter defined in the bill.

Without any language added to the provision as originally framed, it would merely read:

The Secretary shall provide, through local committees of farmers, for farm marketing quotas.

And he would not be required to use those which had been selected by the farmers themselves. I think that was the reason for the amendment.

Mr. GILLETTE. Mr. President, yesterday afternoon, in considering another committee amendment, the Senate took action with reference to a very similar matter; but that matter pertained to the assignments of the soil-depleting acreage down through the various administrative units to the local units. The Senate, by action, provided that the soil-depleting acreage of each farm should be allotted by the local committee of farmers set up within that administrative unit, as hereinafter provided. Having in mind at that time the fact that this amendment would come up at a later period, I called attention to it and suggested that a similar amendment would apply to this provision when it came to the matter of allotting the compulsory provisions of a control program; and I am still convinced that we ought, as far as possible, to keep that, as we hoped to do all through the bill, locally controlled, especially as it pertains to the individual farm.

In examining this particular provision, however, it seemed impossible, without entirely changing the language, to oppose the committee amendment without putting ourselves in such a position that we could not amend the language at a later time.

I sincerely hope there will be no objection to this particular amendment going over at this time, in order that we may see if we cannot meet the situation by a proper amendment.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McNARY. I yield to the Senator from Kentucky.

Mr. BARKLEY. I am wondering whether this language really eliminates local committees. It says that "the Secretary shall provide, through the State, county, and local committees" for these quotas. Might not that be interpreted to mean that if a county quota is to be made, it shall be done through the county committee? I do not know whether there would be such a thing as a State quota upon any crop or not; but if such a thing were contemplated, it would have to be done through a State committee; or, if it were a local quota, it would still be done through a local committee. I am wondering to what extent this language eliminates the local committees in fixing these quotas.

Mr. McNARY. Mr. President, that is a very easy question to answer.

When copies of this bill were distributed the farmers were told that they had to deal with local committees on this

important subject of fixing the quotas on their farms. For some reason not yet assigned, the bill was amended to include State and county committees. We know what that means—that the State will dominate the county, and the county will dominate the local committee, and there will be no local committees in an effort to function under this section. That is very, very obvious. We are getting away from the community. We are getting farther away from the county. We are not only getting away from the county but we are going back to the State authority, which takes the whole control away from the farmer.

I am not going to press the matter, in view of the statement of the Senator from Iowa that he intends to offer an amendment if the amendment goes over; and I shall be glad to consent to its going over.

Mr. GILLETTE. Mr. President, in further reply to the inquiry of the distinguished majority leader, I will state that the difference between the pending amendment and the one on which we acted yesterday is this:

In the section assigning the allotments of the depleting base acreage there was definite provision that the Secretary of Agriculture shall assign the State quota, shall assign the county quota, shall assign the administrative unit quota; and the language requiring the State and county committees to participate in assigning quotas to the individual farms was manifestly out of line, because they had no function to perform. The quotas were to be assigned from central headquarters here in the Agricultural Department.

While I am just as anxious as the Senator from Oregon is to retain the control of the local committee, there is in the pending measure no provision for assigning the State quota or the county quota. There is simply the general provision that "the Secretary shall provide, through the State, county, and local committees" for the marketing quota for each farm. I hope we can work out an amendment which will retain in the bill the local committees selected by the farmers themselves, consisting of all the farmers eligible to receive contracts within an administrative unit, so that they may assign to the individual farms the marketing quotas.

Mr. BARKLEY. Mr. President, let me ask the Senator a further question. Suppose this function were limited altogether to local committees, and that the aggregate of all the decisions rendered by the local committees should accord to any State a larger quota than its proportion among the other States growing the same product would permit, what then would happen? Would there be anybody who would adjust the matter so as somewhat to even things up as among the States?

Mr. GILLETTE. The Senator is referring to this particular provision dealing with marketing quotas?

Mr. BARKLEY. Yes.

Mr. GILLETTE. No; the provision here is that the Secretary shall provide through these various units, down through the local committee, for the acreage or quota for each farm. It is because that is the only provision on the subject, and that it is general in its nature, without specifying what functions the State committee shall perform, what functions the county committee shall perform, or what functions the local committee shall perform, that I think it should be clarified. I want the Secretary to have power, when he imposes a marketing quota, to determine, if that is the purpose of the bill—I am not speaking for myself personally—

Mr. BARKLEY. If the matter is to go over, I do not think we need discuss it further now. I have no objection to its going over.

Mr. BORAH. Mr. President, before the amendment goes over, I wish to refer back to subdivision (c) on page 25, with reference to the so-called referendum:

Between the date of the issuance of the proclamation specified in subsection (b) (which shall not be later than 15 days prior to the beginning of the marketing year) and the effective date of the national marketing quota, the Secretary shall conduct a referendum of farmers producing the commodity who would be subject to such farm marketing quotas to determine whether such farmers



are opposed to such quotas with respect to the current crop of the commodity. If more than one-third of the farmers voting in the referendum oppose such quotas for the commodity, the Secretary shall by proclamation suspend the operation of the national marketing quota with respect to the current crop of the commodity and shall further proclaim that surplus reserve loans shall not be available thereafter with respect to the commodity during the period from the date of such proclamation until the beginning of the second succeeding marketing year.

I wish to say to the authors of this measure that it seems to me they ought to give further consideration to the question of the referendum. No one can tell from this provision what the referendum is to be, how it is to be taken, whether it is to be taken by vote, or by lifting up hands, or by a canvass of the county committees, or how.

This is a very important matter, and there ought to be some specification of the manner in which the referendum is to be taken. What is a referendum? Is it a secret vote, so that the farmers may be protected? A day or two since I received a letter from a farmer in upper New York in which he said that on the referendum up there with reference to potatoes, out of some 200 potato raisers only 9 men in the county voted, and he gave the reasons why that was so. They did not want to be recorded against it; they did not want to be identified with being against it, although they were; so they stayed away. There ought to be some real protection on the question of referendum.

What I want to bring to the particular attention of the Senate in connection with this proposition is that the Secretary shall by proclamation suspend the operation of the national marketing quota, and so forth, and, as provided in this very clause:

Shall further proclaim that surplus reserve loans shall not be available thereafter with respect to the commodity during the period from the date of such proclamation.

In other words, the farmers are notified in advance that if they vote against the quota, the benefit of commodity loans will be wiped out and withdrawn. That is practically notice to them that they are losing a very important benefit under the terms of the bill, as previously provided for in the bill in relation to loans on all commodities, if they vote against the quota. I think it ought not to be there. Of course, that is provided in the text and we cannot deal with it now, but I trust we shall do so later.

Mr. MCGILL. Mr. President, will the Senator yield?

Mr. BORAH. Certainly.

Mr. MCGILL. I do not believe the provision that there shall be no loans means what the Senator has in mind. It is merely to protect the Government. A marketing quota should be had, in order to obtain reasonable prices for the commodity in question, and if it cannot be had, the Government ought not to be called upon to make the loans. That is the object of the provision.

Mr. BORAH. What is the Senator's conception of a referendum under this provision? How shall the vote be taken and how shall the farmers' views be ascertained?

Mr. MCGILL. I assume it will be done very much as it was done under the former Bankhead Cotton Act. We have no way of setting up machinery in advance for conducting an election throughout the various States with reference to the question. It is simply one provision in the measure which provides a way whereby the farmer may vote upon a marketing quota.

Mr. BORAH. It is an important matter, and I ask if there will be any verity in a referendum when taken unless there is some protection to the farmer expressing himself, something in the nature of a secret vote. The farmers are perfectly aware of what may follow in case they do not agree to the program.

Mr. MCGILL. Referenda of this character have been taken under former programs, under the corn and hog program while it was in effect, under the cotton program while it was in effect, and under the tobacco program while it was in effect. I never heard of any complaint with reference to the manner in which those referenda were conducted or that the farmer was not given a fair opportunity to express himself.

Mr. BORAH. Then the Senator has not heard all the facts.

Mr. MCGILL. I think I have heard a great many of the facts, because I have lived most of my time in a State where we produce corn and wheat.

Mr. BORAH. Unless there is some degree of secrecy about the matter, some protection in that respect, I do not think any real referendum can be taken.

Mr. MCGILL. We have then had a great many elections in the United States when no real election was held. I remember when I was a boy that a voter had to go and call for the party ticket he wanted, and thus let it be known to the election board how he was going to vote.

Mr. BORAH. That was during the period when the boss voted the people in sufficient numbers to carry the election. That is just the gentleman I want to get rid of in this matter.

The PRESIDING OFFICER. The Senator from Iowa [Mr. GILLETTE] asks that the amendment on page 26, lines 20 and 21, be passed over. Without objection, the amendment will be passed over.

The clerk will state the next committee amendment.

The next amendment was, on page 27, line 1, after the word "market", to strike out: "The marketing quota for any farm shall be the amount of the current crop of the commodity produced on the farm less, first, the normal yield of the acreage on the farm devoted to the production of such commodity in excess of that percentage of his soil-depleting base acreage therefor which is equal to the percentage of the national soil-depleting base acreage specified in the proclamation of the Secretary, and, second, any amount of such crop placed under seal pursuant to the provisions of section 4" and insert in lieu thereof the following: "The marketing quota for any farm shall be the amount of the current crop of the commodity produced on the farm less the normal yield of the farm acreage planted to such crop in excess of the percentage, as proclaimed under this section, of the farm's soil-depleting base acreage for such crop", so as to read:

(e) The Secretary shall provide, through the State, county, and local committees of farmers hereinafter provided, for farm marketing quotas which shall fix the quantity of the commodity which may be marketed from the farm. Such farm marketing quotas shall be established for each farm on which the farmer (whether or not a cooperator) is engaged in producing the commodity for market. The marketing quota for any farm shall be the amount of the current crop of the commodity produced on the farm less the normal yield of the farm acreage planted to such crop in excess of the percentage, as proclaimed under this section, of the farm's soil-depleting base acreage for such crop. In no event shall the marketing quota for any farm be less than the normal yield of half of the soil-depleting base acreage for the farm.

Mr. McNARY. Mr. President, I gave some study this morning to the language as expressed in the pending amendment, which is a modification of the original text. I was trying naturally to ascertain what would be the marketing quota of a farmer producing wheat and corn. It is a very important thing for the farmer to know how much he can produce on the acreage which he is allowed to cultivate, seed, and harvest under permission of the Secretary of Agriculture. It must be remembered that the farmer is to be harnessed and is to be told how much of his land he may farm by planting and cultivating and producing. I worked out this formula and I want to see if I have interpreted it correctly.

I take the base acreage as 10 acres. I am trying to apply the language to the actual condition of a farmer owning 10 acres, all cultivable. The amount of current crop I assume is 20 bushels per acre. Multiplying 10 by 20, if all the farm were employed, he would then produce 200 bushels if he were let alone. But he has had to submit to the dictation of the Secretary of Agriculture. The percentage of reduction fixed by the Secretary might be 10 percent or 25 percent or 50 percent, but I am trying to draw a moderate picture of the figures, so I have assumed the percentage of reduction is 10 percent. Accordingly we take 10 percent of 10 acres and we find by that process of arithmetic that we have arrived at a result of one acre.

The Secretary has told him that he cannot produce anything on 1 acre of his 10 acres. The normal yield of that 1 acre is 20 bushels. I am making this simple because this



is a little different process. We apply the marketing quota to the farmer. The current crop would have produced 200 bushels on the 10 acres, minus 20 bushels, the normal yield over the percentage fixed by the Secretary, which leaves the farmer 180 bushels that he has a right to market under his quota.

Mr. President, I think that probably illustrates the complications involved in this complex provision. It further illustrates how helpless the farmer is under these quotas when an edict of the Secretary of Agriculture goes out telling him how much of his farm he can use.

I inquire of the Senator from Idaho [Mr. POPE] if I have made a fair and accurate statement of the application of this language to a given case.

Mr. POPE. Mr. President, will the Senator from Oregon yield?

Mr. McNARY. I asked the question expecting an answer.

Mr. POPE. As nearly as I could follow the Senator he has made an accurate computation. I invite his attention to a chart which has been carefully prepared and is now on the wall, showing the calculations under this provision of the bill. In the chart the Senator will see that we assume a farm with a base acreage of 200 acres. Seventy-seven percent of the base acreage would be the amount which the farmer could actually cultivate. In another chart we have shown how the 77 percent would be reached.

Mr. McNARY. The Senator is assuming a different situation than is detailed in the amendment then.

Mr. POPE. Not at all.

Mr. McNARY. Where does he get the 77 percent? Who declares the 77 percent?

Mr. POPE. The Secretary of Agriculture.

Mr. McNARY. What percentage is the Senator using?

Mr. POPE. I am using 77 percent as the amount of base acreage determined by the Secretary, as I indicated a few moments ago. I have shown by another chart how the Secretary would arrive at that percentage. Seventy-seven percent of the base acreage would be 154 acres in this case. Assuming the acreage actually planted by a noncooperator is 220 acres, he plants 20 acres more than his base acreage.

Mr. McNARY. Is he permitted to do that?

Mr. POPE. If he is not a cooperator, he can do it, but if he is a cooperator he cannot do it.

Mr. McNARY. But he is supposed to be a cooperator to get the benefits of the bill. If he is not a cooperator, he does not get the parity payments, soil-conservation benefit payments, and the privilege of going to get a loan from this corporation.

Mr. POPE. He could get a 70-percent loan.

Mr. McNARY. Oh, yes. But the Senator cannot jump from a cooperator to a noncooperator to explain the illustration.

Mr. POPE. I certainly can. The marketing quota applies to the noncooperator, so we have a perfect right to apply the calculation to a noncooperator as well as to a cooperator. It will be noted that I have applied it on this chart to a noncooperator, assuming that he actually planted 220 acres.

Mr. McNARY. Could he do that if he were a cooperator and under contract?

Mr. POPE. No; he could not.

Mr. McNARY. That is the point I am making. The Senator is giving an illustration that is impossible because it is provided against in the contract.

Mr. POPE. I can make a calculation on the basis of the cooperator and make another calculation on the basis of the noncooperator, and this particular illustration is that of a noncooperator. I would have to make a different calculation as to a cooperator.

Mr. McNARY. But the cooperator could not plant 220 acres.

Mr. POPE. No.

Mr. McNARY. Because his adjustment contract would not permit it.

Mr. POPE. Certainly, but will not the Senator concede that the marketing quota applies to the noncooperator as well as to the cooperator, and then will he not permit me to explain what happens to the noncooperator?

Mr. McNARY. The Senator is confusing the whole matter by taking up the case of a noncooperator who does not work under a contract. However, let the Senator proceed.

Mr. POPE. The Senator illustrated his point by using the case of a cooperator. I want to apply it to a noncooperator to show how it will work.

Mr. McNARY. The Senator does not think there will be many noncooperators, does he?

Mr. POPE. I have no doubt there will be some noncooperators under any voluntary program. If the Senator desires me to do so I shall be glad to show how this works out under the program.

The noncooperator would plant 220 acres. Then the excess of the acreage over the specified base acreage would be 66 acres. In other words, he has 66 acres more than his base acreage. If the normal yield per acre is 10 bushels, the normal yield of the excess acreage referred to in this formula would be 660 bushels. Assuming the actual yield on the farm is 15 bushels, then the actual production on 220 acres would be 3,300 bushels. That is the amount he actually raises. Then subtract the normal yield from the excess acreage, 660 bushels, and we have as the farm marketing quota 2,640 bushels. All over and above the marketing quota would have to be stored, so he would actually store 660 bushels.

That is the case of a noncooperator. We could take a cooperator, and instead of assuming that he planted 220 acres, say he planted 154 acres, and then make the calculation. Of course, we have to ask whether he is a cooperator or noncooperator in determining what the marketing quota would be.

Mr. McNARY. The Senator has attempted to explain a very difficult provision of the bill.

Mr. POPE. It does not seem to me to be a difficult computation.

Mr. McNARY. I am very glad that it is easy for the Senator. I am sorry the Senator did not use the cooperator in his example, because about 100 percent of those who come within the provisions of the bill are supposed to be cooperators. If a cooperator had 200 acres, and that was the soil-depleting base acreage, what would be his quota under the provisions of the bill? In other words, if one is a cooperator, and has a contract before he becomes a cooperator, and the inducements are three in number, which I do not care again to recite, having mentioned them just a moment ago, if he had 200 acres susceptible of being planted to wheat, he would want to know how many bushels of wheat he could raise and come within his quota. If he exceeds his quota, he is up against a penalty, a very severe penalty. He wants to get his whole quota in, because he naturally wants to raise all the wheat he can on this acreage, because he pays taxes on his whole farm all the time.

If this is so simple to the Senator, I ask him this question. Let us suppose a man is a cooperator, and has 200 acres. Assume he raises 50 bushels per acre. That is a little high in Idaho, and so we will say 10 bushels, and make it easy. What would then be the full amount, the maximum quota, which this cooperator could sell without coming in conflict with the penal provisions of the law?

Mr. POPE. If he produced exactly the normal, then there would be no amount stored; he would be observing his marketing quota, if he should happen to produce a normal amount. But if he produced more than the normal amount, then the amount above the normal, in the case of the cooperator, would be the amount he would store.

Mr. McNARY. I worked out a formula a moment ago which I thought fitted into this case, and I think it is simpler than the other formula. Assuming one is a cooperator—and he has not any business owning a farm if he is not a cooperator, under the bill, if there is anything to it—and suppose he raises 10 bushels an acre, and his soil depleting base acreage is 200 acres. He is anxious to know how much of that acreage he can sell when the harvest is ripened and threshed. What will be his maximum quota? I ask the Senator to apply his own figures and tell me, on that basis,



how much that poor farmer will have to sell. How much will he be permitted to sell?

Mr. POPE. Whether he were a poor farmer or a well-to-do farmer would make no difference.

Mr. McNARY. I do not mean poor in the sense of money. I mean poor in the sense that he is unfortunate in having to go up against this sort of thing.

Mr. POPE. He would be fortunate or unfortunate according to the way one looks at it. In the case to which I have referred, we assume that he produced 30 bushels to the acre.

Mr. McNARY. I made it easy. I said 10 bushels.

Mr. POPE. Ten bushels is his normal production. If he produces 15 bushels per acre, instead of 10, then the amount of excess he would raise would be the amount that would go into the normal granary, if he complied in every other respect.

Mr. McNARY. I did not know this section had any reference to the normal granary.

Mr. POPE. I use that in the sense that it would be stored in the ever-normal granary.

Mr. McNARY. The Senator means stored under seal?

Mr. POPE. Yes.

Mr. McNARY. And he cannot sell?

Mr. POPE. Yes.

Mr. McNARY. He might get a loan from the loan corporation, and the wheat might not go into the ever-normal granary at all.

Mr. POPE. The ever-normal granary is in operation in exactly the same way. The wheat is stored under seal, and whether it is under the marketing quota provision or not, so long as it is stored with a loan against it, it is in the same position.

Mr. McNARY. Will the Senator be able tomorrow to tell that farmer, if he has 200 acres, and produces 10 bushels, what his position would be?

Mr. POPE. I can make the calculation in 5 minutes and tell him now.

Mr. McNARY. Very well. I would like to see it checked up.

The PRESIDENT pro tempore. The Senator's time on the amendment has expired.

Mr. POPE. Mr. President, in a colloquy this morning it was stated that an amendment concerning the dairy interests and the matter of ensilage would be prepared and submitted later. That subject seems to lend itself to an amendment of this committee amendment. Therefore, I suggest that the matter go over until the Senator from New York, the Senator from Wisconsin, the Senator from Vermont, and others interested, may present an amendment to cover that matter.

The PRESIDENT pro tempore. The Senator from Idaho asks unanimous consent that the amendment go over. Is there objection?

Mr. McNARY. Mr. President, I probably have no objection; I think I am quite in accord with the request. I have an amendment relating to the dairy interests which does not treat the same problem as that presented by the Senator from New York. By his amendment he attempts to exclude the dairy industry from the provisions of the bill. The amendment I have offered is presented upon the assumption that the bill may become an act. Therefore I am attempting to deal with the acreage that is diverted from the normal usage in connection with the expansion of the dairy industry. If one amendment goes over, I want all of the items designed to take the dairy industry out of the bill to go over. Is that satisfactory to the Senator from Idaho?

Mr. POPE. That is satisfactory.

The PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Excess-marketing penalty", on page 28, line 4, after "Sec.", to strike out "11" and insert "22"; in line 6, before the word "in", to strike out "any major agricultural commodity" and insert "wheat or corn"; in line 9, after the word "section", to strike out "6 (a)" and insert "14", so as to read:

Sec. 22. (a) It shall be an unfair agricultural practice for any farmer (whether or not a cooperator) to market wheat or corn in excess of his farm marketing quota established for the commodity unless prior to such marketing (1) the Secretary shall have under section 14 released such commodity from marketing quota restrictions.

Mr. McNARY. Mr. President, I am sorry that I have to ask so many questions; that I am not more familiar with the bill. If we have reached the beginning of the penal provisions of the bill as apply to wheat and corn, I do want to say something about a noncooperator. I suppose, however, that under the rule, inasmuch as my remarks would be directed to the text of the bill, I shall have to defer to a later date, and for that reason I shall not discuss it now.

Mr. ELLENDER. Mr. President, I desire to amend this amendment on line 9 by striking out the numeral "14" and inserting the numeral "7." An error was made.

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment of the committee was, on page 28, line 10, before the word "the" to insert "in case of corn"; so as to read:

Or (2) in case of corn the farmer shall have absorbed such excess marketing through diverting from the production of such commodity an acreage the aggregate normal yield of which equals or exceeds the amount of such excess marketing.

The amendment was agreed to.

The next amendment of the committee was, in section 22, subdivision (b), page 28, line 19, after the word "following", to strike out "rates: For any major agricultural commodity except tobacco" and to insert the word "rate"; so as to read:

(b) It shall be a violation of law for any farmer to engage in any unfair agricultural practice that affects interstate or foreign commerce, and for each such violation the farmer shall be liable to pay an excess-marketing penalty at the following rate:

Mr. McNARY. Mr. President, does this penalty apply to all the so-called major agricultural commodities, or just to wheat and corn?

Mr. POPE. I think it applies only to wheat and corn in this place. The cotton and tobacco section contains a similar provision.

Mr. ELLENDER. I may state to the Senator from Oregon that there is a penalty on all commodities. The rate of the penalty is not uniform.

Mr. McNARY. What is the rate? They were all uniform in the original bill we studied.

Mr. ELLENDER. In the case of cotton it is 75 percent of the purchase price, as I recall. In the case of tobacco it is 50 percent of the market price—

Mr. McNARY. Or 3 cents per pound, as in the original language?

Mr. ELLENDER. That is correct. Whichever is the higher. In the case of rice the penalty is one-half cent per pound of the excess marketed.

Mr. McNARY. Did the Secretary of Agriculture comment upon this provision?

Mr. ELLENDER. Not to my knowledge.

Mr. McNARY. I ask the Senator from Idaho whether the Secretary of Agriculture commented on this provision.

Mr. POPE. He did not. No suggestion was made by him as to any change.

Mr. AUSTIN. Mr. President, I should like to ask the Senator from Louisiana if he understands that the Secretary of Agriculture is authorized to collect penalties and be the custodian of the money of the United States that is not appropriated in any manner by the Congress to him.

Mr. ELLENDER. I may state to the Senator from Vermont that any penalty imposed is collected in the name of the United States Government through the United States district attorneys, and that all recoveries revert to the Treasury.

Mr. AUSTIN. I will ask the Senator if that is what the bill provides, or whether that is something which he thinks it ought to say. I call attention to the lines at the top of page 29, lines 2, 3, and 4:



Such penalties shall accrue to the United States and shall be payable to and collected by the Secretary.

Mr. ELLENDER. I had particular reference to cotton, rice, and tobacco, and not to corn and wheat.

Mr. AUSTIN. Does the Senator think a different provision was made with reference to corn?

Mr. ELLENDER. I think it was the intention of the authors of the corn and wheat sections to make all penalties revert to the Treasury.

Mr. AUSTIN. Does the Senator believe that the bill expresses any such intention as that?

Mr. ELLENDER. That is my understanding as to all penalties that may be imposed under the bill, whether they are collected in connection with wheat or corn or any of the other commodities named in the bill.

Mr. AUSTIN. Does the Senator from Idaho understand that the bill provides for covering these penalties into the Treasury of the United States?

Mr. POPE. Mr. President, I know that to be the intention. I do not now recall the specific language. I will check the bill and find out; but I am certain that was the intention.

Mr. BARKLEY. Mr. President, under the general law, unless an act specifies to the contrary, where money is recovered in the name of the United States as a penalty, through the district attorneys, under the orders of the Attorney General, as provided in the next subsection, the money automatically goes into the general fund in the Treasury.

Mr. AUSTIN. I always supposed that to be true, and that is why, when this matter was called to my attention, I thought it ought to be considered.

Mr. BARKLEY. I think that is the law. It would not be necessary to provide in this bill for that because, unless it is otherwise provided, the money would go into the general fund in the Treasury.

Mr. AUSTIN. It is provided otherwise here. The bill provides:

Such penalties shall accrue to the United States and shall be payable to and collected by the Secretary.

Mr. BARKLEY. Not to the Secretary, of course, in his personal or official capacity. Even if they were paid over to his Department, they would have to go into the Treasury.

Mr. AUSTIN. I think these words should be amended in some manner so that the provisions will not be inconsistent.

Mr. BARKLEY. Yes. The amendment would not be in order now, anyway.

Mr. ELLENDER. Mr. President, I invite the attention of the Senator from Vermont [Mr. AUSTIN] to the language in lines 10, 11, 12, and 13, on page 29, wherein authority is given to the Attorney General to institute suits in the name of the United States for recovery of the penalty payable with respect to violations.

Mr. AUSTIN. That is true. I have no question about those lines. My question related to lines 2, 3, and 4, which seem to be out of line with the general law.

The PRESIDENT pro tempore. The question is on agreeing to the amendment on page 28, line 19.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment will be stated.

The next amendment of the committee was, on page 28, line 22, before the word "and" to strike out "under section 14 (d))" and insert "by the Secretary under this act"; so as to read:

Fifty percent of the parity price as proclaimed at the beginning of the marketing year by the Secretary under this act and in effect at the time of the violation.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment will be stated.

The next amendment of the Committee on Agriculture and Forestry was, on page 28, in line 23, after the word "violation", to strike out the semicolon and "for tobacco, 50 percent of the price for which sold, or 3 cents per pound

in case of flue-cured, Maryland, or burley, and 2 cents per pound in case of all other types, whichever is the higher."

Mr. BYRD. Mr. President, does this excess marketing penalty apply to a cooperator as well as to a noncooperator?

Mr. POPE. Yes. That would be my opinion of the matter. Anyone who violates a provision and markets a commodity in excess of the amount established would be subject to the penalty.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. McNARY. I think that question is well answered by the language of the bill found in lines 4 and 5.

Mr. POPE. I think so, too.

Mr. BYRD. Then the Senator confirms the fact that the penalties will apply to a noncooperator as well as to a cooperator. Will the Senator please make clear what is regarded as an unfair agricultural practice? Under the terms of this penalty provision, we give to the district attorney the right to haul into the Federal courts any farmer who is guilty of an unfair agricultural practice. What is an unfair agricultural practice?

Mr. POPE. I think it means marketing in excess of the quota.

Mr. BYRD. What else?

Mr. POPE. That is all, so far as the bill provides.

Mr. BYRD. Does it mean the violation of regulations as promulgated by the Secretary of Agriculture?

Mr. POPE. There is no provision in section 22 to that effect. There may be other provisions following, concerning which the Senator may raise the question at the time we reach them.

Mr. BYRD. Under the terms of the bill, has not the Secretary the right to promulgate numerous regulations which would have the full force and effect of law? And if a farmer violates any of those regulations is he not guilty, and may he not be punished under this section?

Mr. POPE. I think not. There may be a provision which the Senator would desire to call to our attention later on; but I think, from reading the matter now under consideration, there is no such provision. If the Senator finds such a provision later on in the bill, I shall be glad to discuss it with him.

Mr. BYRD. Does the Senator make the statement that the regulations promulgated by the Secretary of Agriculture cannot be enforced?

Mr. POPE. I make no such statement, I will say to the Senator. I am merely discussing what is now before the Senate, namely, section 22, under the title "Excess Marketing Penalty." So far as I read it, there is no provision that a violation of a regulation made by the Secretary of Agriculture would be an unfair marketing practice.

Mr. BYRD. Let us assume that a farmer violates some regulation of the Secretary of Agriculture. In what way can that farmer be punished and compelled to obey the regulation?

Mr. POPE. I do not recall a provision dealing with that matter. There may be one later on in the bill. I do not now recall a provision dealing with the matter. If the Senator finds one later in that connection I shall be glad to discuss it with him.

Mr. BYRD. It is useless to give the Secretary of Agriculture power to establish rules and regulations unless some penalty is provided in the event those rules are not obeyed by any farmer; so I should like to have the Senator point out exactly what the penalty is, and how it is to be enforced.

Mr. POPE. Since this discussion began, my attention has been called to page 30, following the provision under immediate discussion on pages 28 and 29. The Senator will note that in subsection (e) is provided:

(e) Farmers engaged in the production of wheat or corn shall furnish such proof of their acreage, yield, storage, and marketing of the commodity in the form of records, marketing cards, reports storage under seal, or otherwise as may be necessary for the administration of this section and prescribed by regulations of the Secretary.



Then follows the sentence providing that—

Any farmer failing to furnish such proofs in the manner and within the time provided shall be guilty of a misdemeanor and upon conviction thereof be subject to a fine of not more than \$100.

It might be that a violation of the regulations would be involved there; but I have already stated today that when we reach that point the Senator from Kansas [Mr. McGILL] and I will move to strike out the provision as to penalty.

Mr. BYRD. The provision as to penalty for what violation?

Mr. POPE. For the violation specified in the bill.

Mr. BYRD. Does the Senator mean there is going to be no penalty for the violation of any of the provisions of the bill?

Mr. POPE. No penalty for the violation of the specific provision which I have just read.

Mr. BYRD. That is to say, there will be no penalty for failure on the part of the farmer to keep records and furnish those records to the Secretary of Agriculture?

Mr. POPE. There will be no penalty provided if this language is stricken out.

Mr. BYRD. How will the Secretary of Agriculture then enforce his regulations if no penalty is provided?

Mr. POPE. The Senator can answer that question as well as I can. The provisions may be of some value without the penalty provision. But the Senator, I take it, and others, have objected so strenuously to any penalty for that violation that the Senator from Kansas [Mr. McGILL] advised me that he expects to make a motion to strike out that language, which has been so offensive to the Senator from Virginia and to others, which will leave the situation where there will be no penalty for violation of those provisions. That will be the situation.

Mr. BYRD. I want to get clear exactly what the Senator means. Does the Senator mean that there is no penalty for violation of subsection (e) on page 30?

Mr. POPE. I think the Senator is confusing the word "violation" with "penalty." If the farmer should fail to furnish the proof and to do the other things specified, there would be a violation; but if the penalty provision is stricken out, the law would simply stand and be dependent upon the cooperation of the farmers in furnishing the records required according to law.

Mr. BYRD. What I am endeavoring to make clear is this: In the event the farmer did not do what the Secretary of Agriculture told him to do, would not that be an unfair agricultural practice?

Mr. POPE. I should not construe it as being an unfair practice. I think "unfair practice" refers to the provisions contained on pages 28 and 29, and the failure to furnish proof would not be an unfair agricultural practice.

Mr. BYRD. The Senator, then, assumes that the only unfair agricultural practice referred to in the bill is when a farmer sells in excess of his marketing quota?

Mr. POPE. I think so. That is my present understanding of the matter.

Mr. BYRD. Let me ask the Senator again in regard to subsection (c) on page 29, which provides:

(c) Whenever, after investigation, the Secretary has reason to believe that any farmer has engaged in any unfair agricultural practice that affects interstate or foreign commerce and so certifies to the appropriate district attorney of the United States, it shall be the duty of the district attorney, under the direction of the Attorney General, to institute a civil action in the name of the United States for the recovery of the penalty payable with respect to the violation.

What does that subsection refer to?

Mr. POPE. It refers to the 50-percent penalty for selling beyond the marketing quota.

Mr. BYRD. In other words, the only unfair agricultural practice that is established by the bill is when the farmer sells in excess of the marketing quota?

Mr. POPE. Yes. I have so stated, and I think that is correct. That is my understanding.

Mr. McNARY. Mr. President, have I any time on the amendment?

The PRESIDENT pro tempore. An amendment is pending before the Senate on which the Senator has not spoken.

Mr. McNARY. Very well.

Mr. COPELAND. Mr. President, will the Senator yield to permit me to insert something in the RECORD?

Mr. McNARY. I yield.

Mr. COPELAND. I have here a telegram sent to me from the New York State Grange, representing 135,000 members, opposing this bill. I ask to have it printed in the RECORD.

I have also a letter from Jamestown, N. Y., containing the signatures of representative people, two being milk producers, a producer distributor, a grocer, the president of a building and supply concern, a feed and poultry farm owner, the owner of a farm implement agency, and so forth. The signers of this letter are so representative of the opposition to the bill in my State that I ask unanimous consent to have the letter printed in the body of the RECORD in connection with my statement. I also ask to have printed in the RECORD a letter from the Oneida County Pomona Grange.

There being no objection, the telegram and letters were ordered to be printed in the RECORD, as follows:

SKANEATELES, N. Y., December 7, 1937.

Senator ROYAL S. COPELAND,

The Senate:

New York State Grange, 135,000 members, urge recommitment of new farm bill. All compulsory features must be omitted.

H. M. STANLEY, Secretary.

JAMESTOWN, N. Y., December 6, 1937.

Senators WAGNER and COPELAND,

Congress of the United States.

GENTLEMEN: Please present to the Congress of the United States the enclosed request regarding proposed legislation concerning crop control and crop insurance (ever-normal granary). The signers of the petition are all residents of Jamestown and vicinity in Chautauqua County and State of New York. They are either engaged in dairying or are vitally interested in its success. All are property owners and men of responsibility in their own business. In the order of signing are, first, two milk producers; second, a producer-distributor; third, manager of a chain grocery; fourth, president of the largest building supply concern of the city; fifth, a milk producer; sixth, feed dealer and poultry farm owner; seventh, owner of farm implement agency and gasoline station.

We ask for your attention to this request of some of your constituents.

Yours truly,

CLINTON W. PERRY.

JAMESTOWN, N. Y., R. F. D. 5.

We, the undersigned residents of Chautauqua County, State of New York, hereby petition the Congress of the United States that all proposed legislation regarding crop control and crop insurance (ever-normal granary) be dropped, because:

First. These laws would be economically dangerous and unsound.

A. The expense of administering will add to our heavy tax burden.

B. Budget needs balancing, Federal spending excessive for 6 years.

Second. These laws will be contrary to the principles of our democratic government.

A. Are class legislation.

B. Stifle individual initiative under guise of Federal control.

Third. Will arouse jealousy of those classes not receiving benefits.

CLINTON W. PERRY,

Route 5, Jamestown, N. Y.

G. W. CARTER,

Route 5, Jamestown, N. Y.

C. M. JOHNSON,

30 Mason, Falconer, N. Y.

CHAS. LINDBECK,

Rural route, Jamestown, N. Y.

L. D. EATON,

Route 5, Jamestown, N. Y.

H. E. ADAMS,

Route 5, Jamestown, N. Y.

J. W. LINDSTON,

Route 5, Jamestown, N. Y.

We, the members of Oneida County Pomona Grange, feel that the suggested amended farm-relief bill does not meet the needs of the American farmer, and would create a system of regimentation detrimental to the best interests of the Nation as a whole. Therefore we suggest a militant opposition to the passage of said bill be made.

Fraternally submitted.

Brother MILTON HARRIS.

Brother FRANK HELIG, Jr.

Brother WILLIAM GARLICK.



Mr. McNARY. Mr. President, I ask the attention of the Senator from Kansas [Mr. McGILL] and the Senator from Idaho [Mr. POPE].

On page 28, where the bill discusses unfair agricultural practices, it provides:

It shall be an unfair agricultural practice for any farmer . . . to market wheat or corn in excess of his farm marketing quota.

Again, when I look at the cotton provision, I find that the cotton farmer is treated more tenderly than the producer of wheat and corn. The bill provides:

The willful marketing in interstate or foreign commerce of cotton produced on a farm for which a quota has been established . . . is hereby prohibited.

When I look at the next page, page 38, I notice the language "any person knowingly" purchasing or selling cotton, or "persons who knowingly sell cotton grown on acreage not included," and so forth.

Mr. President, as I recall, in my early days in college, a good many years ago, the word "willfully" implied an intent to do wrong. "Knowingly" meant to do a thing with the knowledge that one was doing wrong. A cotton man must do a thing willfully before he is subject to a penalty. The cotton farmer must knowingly do a wrong thing to be guilty of unfair practice. But again, when it comes to the wheat and corn man—and I think this is my eleventh specification of respects in which they are discriminated against—if the wheat man or a corn man does a thing prohibited by the bill, whether he does it willfully or knowingly or not, he is guilty of an unfair practice. Does that not make an appeal to the Senator from Idaho [Mr. POPE] that the corn and wheat man ought to have in the provision relating to corn and wheat the language?—

It shall be an unfair agricultural practice for any farmer willfully to market wheat or corn in excess of a farm marketing quota.

Mr. POPE. I agree with the Senator thoroughly, and if he is offering that amendment I accept it immediately.

Mr. McNARY. I am very happy that this time I was able to convince the Senator of some of the foibles and mistakes in the bill.

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Oregon yield to the Senator from Kentucky?

Mr. McNARY. I yield.

Mr. BARKLEY. I do not wish to object to the offering of that amendment, but under the rule it is not now in order. It may be in order at the proper time.

Mr. McNARY. Very well. If it is not in order, I do not want to infringe upon the rule. I withdraw the amendment, but I give notice that at the proper time I shall once more try to see that the wheat and corn man is put on a fair footing with the cotton man.

The PRESIDING OFFICER. The question is on the pending committee amendment.

Mr. AUSTIN. Mr. President, will the Senator from Idaho [Mr. POPE] submit to another question about this matter? I ask the Senator if he will not accept, when the time is appropriate to do it, the addition of one word in line 16—that is, the word "such", after the word "any", so that it would read:

It shall be a violation of law for any farmer knowingly to engage in any such unfair agricultural practice.

Mr. POPE. The Senator proposes to insert the word "knowingly"?

Mr. AUSTIN. That was the offer of the Senator from Oregon. I am offering just the word "such", so that in this paragraph we shall not have the creation of a new offense. Will the Senator accept that amendment?

Mr. POPE. Certainly; I think that is a very appropriate amendment.

Mr. BARKLEY. Mr. President, let me again suggest that these are amendments to the text of the bill.

Mr. AUSTIN. I know it.

Mr. BARKLEY. We are operating under an agreement to consider committee amendments first. It seems to me we ought to finish those amendments before we discuss

amendments to the text. We are making practically no progress here, even on committee amendments; and it seems to me we ought to wait to amend the text until we get to that point.

Mr. AUSTIN. I accept the suggestion of the Senator from Kentucky.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 29, line 10, after the word "the", to strike out "Attorney" and insert "Attorney", so as to read:

(c) Whenever, after investigation, the Secretary has reason to believe that any farmer has engaged in any unfair agricultural practice that affects interstate or foreign commerce and so certifies to the appropriate district attorney of the United States, it shall be the duty of the district attorney, under the direction of the Attorney General, to institute a civil action in the name of the United States for the recovery of the penalty payable with respect to the violation.

The amendment was agreed to.

The next amendment was, on page 29, line 15, before the word "from", to strike out "major agricultural commodities" and insert "wheat or corn", so as to read:

(d) Any person engaged in the business of purchasing wheat or corn from farmers or of processing such commodities for farmers shall from time to time, on request of the Secretary, report to the Secretary such data and keep such records as the Secretary finds to be necessary to enable him to carry out the provisions of this section. Such data shall be reported and such records shall be kept in accordance with forms which the Secretary shall prescribe. For the purpose of ascertaining the correctness of any report made or record kept, or of obtaining data required to be furnished in any report but not so furnished, the Secretary is hereby authorized to examine such books, papers, records, accounts, correspondence, contracts, documents, and memoranda as are relevant and are within the control of the person. Any person failing to make any report or keep any records as required by this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof be subject to a fine of not more than \$1,000.

The amendment was agreed to.

Mr. BYRD. Mr. President, I should like to ask the Senator from Idaho [Mr. POPE] a question. He has stated that the definition of an unfair agricultural practice confines it to the sale by a farmer of wheat or corn in excess of the farm marketing quota. If the Senator will refer to line 15, on page 28, he will see that it reads:

It shall be a violation of law for any farmer to engage in any unfair agricultural practice—

And so forth. If there is only one unfair agricultural practice, it seems to me it could be clearly defined, instead of saying "any," referring specifically to this one unfair practice.

Mr. POPE. Mr. President, whenever it is appropriate, if the Senator will offer an amendment to that effect, I shall be very glad to accept it.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the committee.

The next amendment was, on page 30, line 21, after the word "Department", to strike out "of Agriculture", so as to read:

(f) All data reported to or acquired by the Secretary pursuant to subsections (d) and (e) shall be kept confidential by all officers and employees of the Department and only such data so reported or acquired as the Secretary deems relevant shall be disclosed by them, and then only in a suit or administrative hearing involving the administration of this act.

The amendment was agreed to.

The next amendment was, at the top of page 31, to insert:

#### TITLE III—MARKETING QUOTAS FOR COTTON

SEC. 30. The Congress herewith finds as follows:

(a) The marketing of cotton constitutes one of the great basic industries of the United States with ramifying activities which directly affect interstate or foreign commerce at every point, and stable conditions therein are necessary to the general welfare. Cotton produced for market is sold on a Nation-wide market and practically all of it and its products move almost wholly in interstate or foreign commerce from the producer to the ultimate consumer. The manufactured products of cotton are used for necessary clothing by nearly every person in the United States. The



farmers producing such commodity are subject in their operations to uncontrollable natural causes, are widely scattered throughout the Nation, and are not so situated as to be able to organize effectively, as can labor and industry, for joint economic action; and in many cases such farmers carry on their farming operations on borrowed money or leased lands. For these reasons, among others, the farmers are unable without Federal intervention to control effectively the orderly marketing of such commodity with the result that abnormally excessive supplies thereof are produced and dumped indiscriminately on the Nation-wide and foreign markets.

(b) The disorderly marketing of excessive supplies affects, burdens, and obstructs interstate or foreign commerce by (1) materially affecting the volume of such commodity marketed therein, (2) disrupting the orderly marketing of such commodity therein, (3) reducing the prices for such commodity with consequent injury and destruction of such commerce in such commodity, (4) depleting the soil resources of the United States, and (5) causing a disparity between the prices for such commodity in such commerce and industrial products therein, with a consequent diminution of the volume of interstate or foreign commerce in industrial products.

(c) Whenever an excessive supply of cotton exists, the marketing of such commodity by the producers thereof directly and substantially affects interstate or foreign commerce in such commodity and its products, and the operation of the provisions of this title becomes necessary and appropriate in order to promote, foster, and maintain an orderly flow of supply in such commerce.

(d) It is hereby declared to be the policy and the purpose of the United States to encourage the annual production of an ample supply of cotton of suitable grade and staple to supply all domestic and foreign consumption of such cotton and in addition thereto to maintain at all times a large enough surplus to meet all offers from all sources to buy American cotton at fair and reasonable prices, and never in excess of the world-market price for cotton of similar quality.

Mr. McADOO obtained the floor.

Mr. BARKLEY. Mr. President, I desire to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. The inquiry is whether all of the language in italics from the top of page 31 down to and including the language on page 58, which is all new language and is not an amendment to any language in the text of the bill, is to be considered as one amendment, or otherwise.

The PRESIDING OFFICER. The present occupant of the chair is of the opinion that the orderly procedure would be for the Senate to consider these amendments section by section; but, of course, that is a matter for the determination of the Senate.

Mr. BARKLEY. I appreciate that; but, as a matter of fact, from the parliamentary standpoint, the situation probably would be that the whole provision is one amendment to the bill. To consider it in that way would not interfere with the right of any Senator to offer an amendment to any part of it; but it struck me that if the new matter is to be considered in that way it ought all to be read, and then, later, amendments could be offered to any part of it.

Mr. HAYDEN. Mr. President, it seems to me the better parliamentary procedure would be to follow the suggestion made by the Chair to read the new language paragraph by paragraph as though it were an original measure, and then, when one paragraph is disposed of, to proceed to the next paragraph. That is the only logical way in which amendments could be offered to the text.

The PRESIDING OFFICER. Does the Senator propose that in the form of a unanimous-consent agreement?

Mr. HAYDEN. I ask unanimous consent that the title be read paragraph by paragraph.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. Mr. President, I am in accord with that request, but the parliamentary practice which has always obtained here is that in considering an amendment of this nature we take up the subdivisions as though they were sections complete in themselves and consider them apart from the text which is covered by the unanimous-consent agreement. I think that is the practice to which the Senate has adhered.

Mr. BARKLEY. I have no objection to that procedure. I should like to inquire of the Senator from Arizona and of other Senators, too, whether there would be any objection to reading this new language by titles. There are some three or four titles of the new language, and if we could consider it by titles it might facilitate consideration, although amend-

ments would be in order to any section of the title under consideration.

Mr. HAYDEN. I think that would be all right.

Mr. McADOO. Mr. President—

The PRESIDING OFFICER. The Senator from California may be assured that the time occupied by this discussion will not be taken out of his time.

Mr. BARKLEY. Mr. President, will the Senator from Arizona permit me to propose an amendment to his unanimous-consent request? I ask unanimous consent that the language from page 31 to page 58, inclusive, be read by titles and considered by titles, amendments being in order to any section of each title.

The PRESIDING OFFICER. Is there objection?

Mr. HAYDEN. That would mean, as I understand, that in effect each paragraph would be a separate amendment.

Mr. BARKLEY. Each one of these titles deals with a different crop—one with cotton, one with tobacco, one with rice—and amendments will be in order to any section of any of the paragraphs on the several subjects.

Mr. HAYDEN. We are now dealing with title III, marketing quotas for cotton.

Mr. BARKLEY. Yes.

Mr. HAYDEN. It would then be in order, as the paragraph is read, to offer amendments to the paragraph?

Mr. BARKLEY. My request was that the title be read, and that amendments be in order to any paragraph of it.

Mr. HAYDEN. What disturbs me at the moment is this: There are certain paragraphs in the title that will have to be considered in connection with provisions that are at the end of the bill which define the terms used in the title. If it would be possible to pass over paragraphs so that the two matters might be brought together at the same time, we would not be foreclosed from offering amendments.

Mr. BARKLEY. There will be no difficulty about that. What I am trying to do is to facilitate the reading of the new language without prejudicing any Senator as to offering amendments to any part of the title.

Mr. HAYDEN. I think the Chair made the wisest suggestion of all—that we read the new language as though it were a new bill, paragraph by paragraph, and that amendments be in order to any paragraph.

Mr. BARKLEY. I withdraw my request to amend the request for unanimous consent.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona [Mr. HAYDEN] that the titles appearing in italics, beginning on page 31, be read and acted upon paragraph by paragraph? The Chair hears no objection, and it is so ordered.

The Senator from California [Mr. McADOO] is recognized.

Mr. McADOO. Mr. President, I have offered an amendment which proposes, on page 32, line 23, to strike out all after the word "prices" down to and including the word "quality" in line 25. The portion proposed to be stricken out reads as follows:

And never in excess of the world market price for cotton of similar quality.

Subsection (d) provides—I shall have to read it all in order to make the matter clear—

Mr. McNARY. Mr. President, a parliamentary inquiry.

Mr. BILBO. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator from Mississippi will state his point of order.

Mr. BILBO. It is not exactly a point of order, but a parliamentary question. My understanding was that the committee amendments had first to be adopted, before any amendments were to be offered.

Mr. McADOO. This is an amendment to a committee amendment.

The PRESIDING OFFICER. The Chair will state that it has just been agreed that, beginning with title III, the following pages shall be taken up and read and acted upon, paragraph by paragraph.

Mr. BILBO. And they are subject to amendment?

The PRESIDING OFFICER. They will, of course, be subject to amendment.



If the Senator from California will permit the Chair to make a statement, the Chair believes that under the unanimous-consent agreement it will be necessary to act upon paragraphs (a), (b), and (c) before the amendment of the Senator from California would be in order.

Mr. McNARY. That was the parliamentary inquiry I was about to propound.

The PRESIDING OFFICER. Without objection, paragraph (a) will be considered as having been agreed to.

Without objection, paragraph (b) will be considered as having been agreed to.

Without objection, paragraph (c) will be considered as having been agreed to.

The Senator from California is recognized.

Mr. McADOO. Mr. President, paragraph (d) reads as follows:

(d) It is hereby declared to be the policy and the purpose of the United States to encourage the annual production of an ample supply of cotton of suitable grade and staple to supply all domestic and foreign consumption of such cotton and in addition thereto to maintain at all times a large enough surplus to meet all offers from all sources to buy American cotton at fair and reasonable prices, and never in excess of the world-market price for cotton of similar quality.

My amendment proposes to strike out the last part of the paragraph, reading as follows:

And never in excess of the world-market price for cotton of similar quality.

I think it is entirely superfluous to make such a declaration. I can see no necessity for it; and I think, upon reflection, it will be clear to anyone that it would be useless for the Congress of the United States to commit itself to any such declaration. I spoke to the Senator from Alabama [Mr. BANKHEAD] about the amendment, and I hope he will accept it.

Mr. BANKHEAD. Mr. President, I have no objection to accepting the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California to the committee amendment, on line 23, page 32.

The amendment to the amendment was agreed to.

Mr. CONNALLY. Mr. President, I desire to ask the Senator from Alabama [Mr. BANKHEAD] a question. It seems to me that the declaration here is a little inconsistent.

The committee amendment reads:

It is hereby declared to be the policy and the purpose of the United States to encourage the annual production of an ample supply of cotton of suitable grade and staple to supply all domestic and foreign consumption of such cotton—

We are not trying to do that. If we were, we would not restrict the production of cotton at all, because we do not produce enough for the world.

Mr. BANKHEAD. That means, of course, that we are prepared to supply the demand for all of our cotton that anybody wants to buy. We have always had all the cotton anybody in the world wanted to buy, and it is the policy of the United States to continue that course—to have plenty of cotton, so that those who have the money can buy it. In other words, it is not our intention to restrict the supply. If foreign countries want more cotton, they can get it. We propose to have plenty of cotton for them at all times.

Mr. CONNALLY. For "all domestic and foreign consumption"?

Mr. BANKHEAD. Of American cotton; yes.

Mr. CONNALLY. Of course.

Mr. BANKHEAD. "Of such cotton."

Mr. CONNALLY. The amendment is not drafted in that way.

Mr. BANKHEAD. That is the meaning of it.

The PRESIDING OFFICER. Without objection, the paragraph as amended will be considered as agreed to.

Mr. BANKHEAD. Mr. President, I have a committee amendment perfecting paragraph 31 (a).

The PRESIDING OFFICER. That point has not yet been reached.

Mr. BANKHEAD. Very well.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The CHIEF CLERK. At the top of page 33 it is proposed to insert the following:

Thirty-five percent of a normal year's domestic consumption and exports is a reasonable carry-over at the end of each marketing year. That amount of cotton carried over, based upon many years of experience, is held to be an adequate ever-normal warehouse supply for the protection of interstate commerce and of consumers of American cotton, domestic and foreign, against drought, excessive rainfall, insects, war, or other national emergency.

The amendment was agreed to.

The next amendment was, on page 33, after line 8, to insert:

SEC. 31. (a) Prior to the 15th day of November of each year the Secretary shall find the probable carry-over of cotton as of the beginning of the approaching marketing year and shall also find the probable domestic consumption of American cotton, and also the probable exports of American cotton during such marketing year.

Mr. BANKHEAD. I now offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 33, after line 14, it is proposed to insert the following proviso:

Provided, That for the crop year 1937-38 the Secretary shall make all of the findings, determinations, and proclamations provided for in this section within 10 days after the approval of this act.

Mr. BANKHEAD. Mr. President, this is a committee amendment offered because, while the section provides for a referendum for the crop year 1937-38, it fails to require the Secretary to do these various other things.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment of the Committee on Agriculture and Forestry was, on page 33, after line 14, to insert:

The Secretary shall also determine and specify the national marketing quota of cotton that may be marketed in interstate or foreign commerce during the succeeding marketing year.

The amendment was agreed to.

The next amendment was, on page 33, after line 18, to insert the following:

The Secretary shall, immediately after making the aforesaid findings, proclaim that beginning on the first of the marketing year next following and continuing throughout such year, a national marketing quota shall be in effect for the crop harvested during such marketing year: *Provided, however,* That within 30 days after the approval of this act and thereafter not later than December 15 of 1938 and of each subsequent year the Secretary shall conduct a referendum of the farmers who would be subject to the national marketing quota for cotton to determine whether such farmers are in favor of or opposed to such quota. If more than one-third of the farmers voting in the referendum oppose such quota, the Secretary shall, within 15 days after the first referendum under this section and prior to the 1st day of the following January in case of any subsequent referendums, announce the result of the referendum and such quota shall not become effective.

Mr. McNARY. Mr. President, did not the House vote upon the quota as applied to cotton?

The PRESIDING OFFICER. Is the Senator addressing the question to the Chair?

Mr. McNARY. I thought the Chair might be advised. If not, I address the question to the Senator from Alabama.

Mr. BANKHEAD. Mr. President, I could not inform the Senator. I do not think it makes any difference. It does not bind us. I have not had time to keep up with what the House has been doing.

Mr. BARKLEY. Mr. President, the House did vote, by viva voce vote in Committee of the Whole and by a very narrow margin, to change the provisions of the text of the House bill, but that matter cannot be determined, so far as the House itself is concerned, until the bill goes back to the House and they have a vote, at which time the proponents



of the measure hope to reverse the action taken in Committee of the Whole.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee to insert a new paragraph on page 33, after line 18.

The amendment was agreed to.

The next amendment of the Committee on Agriculture and Forestry was, on page 34, after line 10, to insert a new paragraph, as follows:

The Secretary shall determine and specify in such proclamation the amount of the national marketing quota for cotton in terms of the quantity (the number of standard bales of 500 pounds weight) which may be marketed during such marketing year: *Provided, however*, That such number of bales shall not be less than 70 percent of the average annual number of bales produced during the 10-year period ended December 1932.

The amendment was agreed to.

Mr. BILBO. Before paragraphs (b) and (c) are read, I ask that they go over until tomorrow, because I have in course of preparation an amendment to be offered to those two subsections.

Mr. McKELLAR. Mr. President, I hope that will be done.

Mr. BANKHEAD. I have no objection.

Mr. HAYDEN. Mr. President, I desire to join in that request as respects subsection (b). I have an amendment I desire to offer to that subsection.

The PRESIDING OFFICER. Is there objection to subsections (b) and (c) being passed over? The Chair hears none, and it is so ordered. The clerk will report the next amendment.

The next amendment of the Committee on Agriculture and Forestry was, on page 35, after line 11, to insert the following:

(d) Apportionment of the quota for any county or subdivision thereof shall be made by distributing among the farms therein that acreage which, on the basis of the average yield of cotton in such county or subdivision thereof, would produce the amount of the county quota. Such acreage shall be apportioned among the farms producing cotton in the county, or subdivision thereof, as follows:

(1) By allocating 5 acres to each such farm for each family engaged thereon as owner, share tenant, tenant renter, or sharecropper in the production of cotton on such farm: *Provided, however*, That the number of acres allotted for any family cultivating less than 5 acres during either of the two preceding seasons shall be the larger of the number of acres that was cultivated in either of such seasons, such production to be determined in accordance with regulations issued by the Secretary.

(2) At least 95 percent of any acreage remaining shall be apportioned to the farms in the county in the same proportion that the lands tilled on each farm in the preceding year bears to the total tilled lands in the county in such year.

(3) The remainder of such acreage may be distributed equitably among the farms in the county, taking into consideration good soil management, type of soil, topography, production facilities, the average acreage of cotton grown on the farm during the preceding 3 years (taking into account in the applicable years the acreage diverted from such production because of agricultural adjustment and conservation programs), and the acreage of food and feed crops needed for home consumption on the farm. In distributing the acreage allotment under this subsection (3) due allowance under instructions issued by the Secretary shall be made for sources of cash farm income other than that derived from cotton.

Mr. BILBO. Mr. President, I desire to amend the paragraph on page 35, line 19, by striking out the word "five" and inserting in lieu thereof "seven and one-half."

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 35, in the committee amendment, in line 19, after the word "allocating", it is proposed to strike out "five" and insert "seven and one-half", so the phrase would read:

By allocating  $7\frac{1}{2}$  acres to each such farm for each family engaged thereon, as owner, share tenant, tenant renter, or sharecropper in the production of cotton on such farm.

The amendment to the amendment was agreed to.

Mr. BILBO. I now move to amend further, on page 35, by striking out lines 22, 23, 24, and 25, and lines 1 and 2 on page 36. That would be to strike out the proviso of that subsection.

The PRESIDING OFFICER. The amendment of the Senator from Mississippi to the committee amendment will be stated.

The CHIEF CLERK. On page 35, after line 21, it is proposed to strike out the proviso, as follows:

*Provided, however*, That the number of acres allotted for any family cultivating less than 5 acres during either of the two preceding seasons shall be the larger of the number of acres that was cultivated in either of such seasons, such production to be determined in accordance with regulations issued by the Secretary.

Mr. BANKHEAD. Mr. President, I am opposed to the amendment of the Senator from Mississippi. I had assumed the Senator from Mississippi had agreed to the text of the bill. At any rate, if he did not, that is all right.

We have a very large number of cotton growers, probably several hundred thousand, who grow less than two bales of cotton a year, some a bale and a half, some a bale, some only half a bale, because they are not dependent upon cotton production for their living. In other words, many dairy people have a small cotton patch, and so with fruit growers and hay growers. The result is there are several hundred thousand who produce, according to the figures of the Department, less than two bales of cotton each.

It has been my thought that under the theory of cotton reduction there is no occasion deliberately to invite people who have not been producing cotton to do so, or add to or increase their production. It would have to come out of the production of the established farmers under a period of enforced rigid restriction in production. I do not think we ought to increase production or encourage people to increase it who have not been doing so when they could do it voluntarily. It would amount to a very large acreage and number of bales of cotton.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. BANKHEAD. Certainly.

Mr. BYRNES. I thought that the language meant that in the case of a family cultivating less than 5 acres, say, 3 or 4 acres, during either of two preceding seasons—3 acres one season and 4 acres the next season—the allotment of that farmer should be 4 instead of 3.

Mr. BANKHEAD. It does.

Mr. BYRNES. That really would be a benefit to the farmer.

Mr. BANKHEAD. The Senator from Mississippi wants to strike out that provision.

Mr. BYRNES. I got the impression the Senator said it would injure those farmers.

Mr. BANKHEAD. It puts them all on a  $7\frac{1}{2}$ -acre basis, as I construe it, and I think that is what the Senator has in mind.

Mr. BILBO. That is correct.

Mr. BANKHEAD. This is intended not to reduce any farmer who has cultivated less than 5 acres.

Mr. BYRNES. It is to give him the privilege of cultivating the highest number of acres that he has theretofore cultivated.

Mr. BANKHEAD. That is the idea.

Mr. OVERTON. Mr. President, I think the amendments if adopted would destroy the historical background in the production of cotton.

Mr. BANKHEAD. Absolutely.

Mr. OVERTON. So far as the  $7\frac{1}{2}$  acres are concerned.

Mr. BANKHEAD. Absolutely.

Mr. OVERTON. Any farmer or sharecropper or share tenant, whether he has ever produced cotton or not, will be entitled to produce cotton on  $7\frac{1}{2}$  acres.

Mr. BANKHEAD. That is correct. It is an increase program rather than holding the line.

Mr. BILBO. Mr. President, I appreciate the truth of the statement made by the Senator from Alabama that there are in the Cotton Belt a few farmers who plant a small acreage in cotton, 2 or 3 or 4 or 5 acres, when they are not dependent on cotton as their sole money crop. My purpose in moving to eliminate this provision from the bill and to give each family the right to put  $7\frac{1}{2}$  acres in cultivation if they so desire, is to take care of that great army of



small farmers in the hill sections of the Cotton Belt who have been denied the right to plant as much as 5 or 7½ acres under the previous control programs. I know from personal knowledge that when the Government enforced the average base acreage provision of the law, resorting to the history of the cultivation of cotton in my own State, there were a great many farmers who were planting 4 or 5 acres from year to year, depending somewhat on other crops on their farms for cash. Yet, when the strict rules of the control program of the past were applied, these farmers who were planting 4 or 5 or 6 acres were cut down to 1, 2, 3, and 4 acres, and they have been living up to the Government's regulations. So, if this provision remains in the bill, these farmers, who have been cut to the quick as a result of the rigid rules of control programs in the past, will still be denied the opportunity to plant 7½ acres allotted as an exemption to all the cotton farmers of the Cotton Belt.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. OVERTON. As I interpret the proviso, the historical background refers to only the two preceding seasons.

Mr. BILBO. Yes.

Mr. OVERTON. Was there any control program during the two preceding seasons referred to in the proviso?

Mr. BILBO. Yes. Under the soil-conservation program the farmers were held to the old base acreage, which had been established under the Bankhead Act, and in their attempt to keep faith with the Government and keep up with the program, a great many of the farmers stood by the old acreage basis which had been established for them under the old cotton-control program, and they are in just as bad shape now, notwithstanding the fact that they had a right to override the soil-conservation program and become outlaws, so far as the Government program was concerned. They preferred to stay with the Government in the attempt to control the production, but are still denied that acreage which they had been planting previous to the original control program.

If this provision remains in the bill, these farmers who have been discriminated against under the old program will still be discriminated against and denied their seven and a half acres. I take it that the statement of the Senator from Alabama is true that there are, we will say, thousands of farmers who do not care to plant seven and a half acres, and who have been planting only 2 or 3 or 4 or 5 acres to make one bale for a little cash money, depending upon dairying or other cash crops. There is nothing in the provision to induce them to plant the full seven and a half acres which is allowed for each family. Therefore I do not think there will be any increase in production if this provision is taken out, because the people who did not want to plant more than 2 or 3 or 4 or 5 acres will still be free to plant the full number of acres.

Mr. BANKHEAD. Mr. President, I think the Senator in that statement entirely overlooks the fact that if the cotton is allotted, that amount is taken out of the quotas of other farmers. Let me read the figures as to the cotton farmers. The number of farmers who produced up to one-half a bale was 37,235. Those producing from one-half to one bale amounted to 143,738. Those producing from one bale to one and a half bales numbered 268,587. This is cumulative, the last figures including the ones ahead of them. Those producing from one and a half to two bales numbered 403,257. Those producing from two and a half to three bales numbered 676,028. Those producing from three to three and a half bales, which reaches up into the 7-acre bracket, numbered 809,862. So, the Senator may readily see that where farmers in this large number voluntarily, of their own accord, have been producing much less cotton, it is an invitation to the other growers to take this quantity.

Mr. BILBO. Mr. President, I appreciate the statement the Senator from Alabama makes—that we will make an allocation of acreage or bales to these small producers, that they will not avail themselves of the opportunity to produce the cotton, and that we will freeze a certain number of bales

under the national allotment to these farmers, and that others will not be permitted to grow cotton.

I assure the Senator that when we provide for a cut in the production of cotton for next year the allotment will be taken care of all right, because that means that the farmers whose acreage has been reduced will improve their cultivation and increase the amount of their fertilizer, and they will get more than the national allotment in the final outcome.

Mr. CONNALLY. Mr. President, the Senator said there would be no inducement for these farmers to plant the entire 7½ acres. If this bill works, there will be because the theory is that the price will be raised, and whenever the price is raised every inducement is present to make a man plant all he can.

Mr. BILBO. There is nothing in that contention because the ones the Senator from Alabama is trying to take care of—

Mr. BANKHEAD. I am not trying to take care of anybody. I am trying to prevent an injustice to the old-line cotton grower.

Mr. BILBO. The ones the Senator is attempting to eliminate have never attempted to plant more than 2 or 3 or 4 acres, no matter what the price of cotton was.

I want to know whether the Senator has any suggestion to make about taking care of this great army of planters who have been discriminated against, and who have not heretofore been permitted to plant the acreage they formerly planted.

Mr. BANKHEAD. There was but one year when the acreage was restricted. The act of 1934 was not passed until the crop had been planted. In 1936 and 1937, as suggested by the Senator from Louisiana, there was absolutely no restriction of any sort on any cotton grower as to how many acres he could plant or how many bales he could grow. It was all voluntary.

Mr. BILBO. I make the prophecy that if this provision remains in the bill there will be tens of thousands of small farmers who will be discriminated against and denied the 7½ acres we are attempting to give to every one-horse farmer of the Nation.

Mr. MILLER. Mr. President, I think we must all admit that the so-called little farmer has been discriminated against in the cotton program, and I believe that in the pending measure we have our only chance to correct a grievous wrong which has heretofore been committed against him. I do not wish to wreck the cotton program, but there is a human element in this agricultural question which cannot be overlooked.

Whether we admit it or not, for many years there were going over this country extension agents and others preaching diversification. Diversification has been engaged in by a certain class of farmers, but not by the cotton farmers, not the mechanized farmers, not the men who plant their fence corners in cotton every year; and they are the men who are creating the surplus of cotton in this country today.

The hill man, of whom the Senator from Mississippi speaks, like the other little farmer, has engaged in diversification over a period of many years. He does not have sufficient base acreage. The diversification program was adopted by him, not because he wanted to adopt it, but because of necessity. It was necessary for him to raise on his farm the food products necessary to support his family, and naturally his cotton production was reduced to the minimum. The cotton he produced was merely a small amount to be used in paying taxes and other necessary expenses he had to meet in the fall of the year.

When the restriction program was inaugurated, he was the man who was injured, and that man on the small hill farm, with his family, took his percentage of cut just the same as anyone else did, just the same as the large farmer did. The amendment proposed by the Senator from Mississippi will in large measure render justice to that man, and it will not increase the production of cotton one pound, if the bill means anything.

Turning to page 36, subsection 2, we find that after the 7½ acres are allotted 95 percent of the remaining acreage



is to be apportioned among the other farms. I admit that it will reduce the number of acres, and it will reduce the quota of the large producer, because the small man will have his part of the national marketing quota applied to his 7½ acres; but it merely gives him no more than what his family must have.

When we talk about reducing a family in the Cotton Belt to below 7½ acres, we forget entirely the human element that must enter into this question, and therein lies the injustice of our entire farm program.

I for one would like to see the amendment of the Senator from Mississippi adopted.

Mr. ELLENDER. Mr. President, I believe that the purpose of the proviso in this section is misunderstood by some of the Members of the Senate. The reason for the proviso is to limit the cotton acreage of those farmers who till less than 5 acres. It is not intended to affect a farmer who cultivates 25 or 30 acres of tilled land. It matters not how much cotton the farmer with more than 5 acres planted to cotton last year or the year before; under the bill, whether he planted 5 acres or 6 acres or 2½ acres, he gets the minimum fixed in the bill. A town lot farmer or one who tills less than 5 acres should not expect to plant more than he planted to cotton in either of the past 2 years.

In order to clarify this proviso, I suggest the following amendment: On line 23, after the word "acres", insert "of tilled land", so that the proviso will read as follows—

Beginning on page 35, line 22:

*Provided, however, That the number of acres allotted for any family cultivating less than 5 acres of tilled land during either of the two preceding seasons shall be the larger of the number of acres that was cultivated in either of such seasons.*

Thus it will be noted that only such farmers who have but 5 acres of tilled land will be affected under this provision. As to all other farmers who have in excess of 5 acres, the general provisions of the bill will apply to them.

I believe that the modification of the amendment as I have just suggested will meet the objections complained of by the junior Senator from Mississippi [Mr. BILBO] and the junior Senator from Arkansas [Mr. MILLER].

Mr. BANKHEAD. I wish to inquire if consideration has been given to the idea that under the program 2,300,000 cotton producers are eligible, with a 7-acre exemption, which makes around 16,000,000 acres. Under present conditions it is thought that probably 25,000,000 acres, or certainly not much more than that, will be the total acreage included in the plan. So if 7 acres are permitted to every sharecropper, every tenant and every farmer, regardless of what he has ever produced in the past—regardless of whether he has produced half a bale, or a bale, or two bales—if this amendment shall be adopted we shall automatically allocate 16,000,000 acres out of 23,000,000 acres that have heretofore been given the opportunity voluntarily to produce only a very small proportion of the total production of cotton.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BILBO. I am sure the Senator and I wish to accomplish the same thing. We desire to do justice to all of these farmers. My reason for offering the amendment is to take care of the small farmer who has been discriminated against under the former control program.

Mr. BANKHEAD. Mr. President, a great many of these men are not small farmers. Many of them are large farmers who produce voluntarily a small quantity of cotton.

Mr. BILBO. The Senator wants to encourage the farmer who heretofore was satisfied to plant 2 or 3 or 4 or 5 acres. Then will the Senator agree that instead of putting in this proviso the words "During either of the two preceding seasons" we put in "five preceding seasons"? That will carry us back to the time when there was not any control program, and in that way the Senator can eliminate the class he desires to eliminate.

Mr. BANKHEAD. I have no objection, if the Senator is not trying to take the acreage away.

Mr. BILBO. Very well. If we put it back 5 years, we will take care of the class that the Senator's proviso will eliminate. At the same time we will save the fellow who is discriminated against under the control program.

Mr. BANKHEAD. I will accept that.

Mr. BILBO. I am satisfied to leave it at 5 years.

Mr. BYRNES. Mr. President, is any amendment pending?

Mr. BANKHEAD. My understanding of the agreement reached by myself and the Senator from Mississippi is—

The PRESIDING OFFICER. The Chair understands that the Senator from Mississippi withdraws his amendment.

Mr. BILBO. No.

Mr. BANKHEAD. He moves to strike out "two" and insert "five" in line 23.

Mr. BILBO. Of course, it is understood that we shall have to change "five" in the proviso to "seven and one-half" to correspond with "seven and one-half" in the first part of the section.

Mr. BANKHEAD. The Senator raises it up a little.

Mr. BILBO. No; if you allow 7½ acres for the individual unit, then the same figure should appear in the proviso. It should read:

That the number of acres allotted for any family cultivating less than 7½ acres—

If seven and a half acres are provided for the individual unit, then we must make this seven and a half.

Mr. BANKHEAD. What does the Senator from Louisiana say about that?

Mr. ELLENDER. That amounts to the same thing. If the number in line 19 should be changed to 7½, it would be proper to change the 5 to 7½ in line 23.

The PRESIDING OFFICER. The Chair suggests that some Senator offer an amendment in order that we may proceed.

Mr. BILBO. I offer an amendment to strike out the word "five" in line 23 and insert "seven and one-half."

Mr. BANKHEAD. I understand that that amendment is simply substituting "seven and one-half" for "five" in line 23.

Mr. BILBO. Yes.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 35, line 23, after the word "than", it is proposed to strike out "five" and insert "seven and one-half".

The amendment to the amendment was agreed to.

Mr. OVERTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. OVERTON. Should not the amendment be voted on as a whole? I understand it is the purpose of the Senator from Mississippi to modify his amendment by not only substituting "seven and one-half" for "five", but also by substituting the word "any" for the word "either", in the same line.

Mr. HAYDEN. The Senator changed the word "two" to "five", in line 23.

Mr. OVERTON. The Senator changed "two" to "five." I think it all constitutes one amendment, and ought to be voted on as a whole. I understand, Mr. President, that the proviso will then read as follows—

The PRESIDING OFFICER. The Chair will state that the amendments will have to be offered to the text. The Senator could not modify his amendment in such a manner as suggested. The Senator has offered one amendment, which has been agreed to.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. Will the Senator from Mississippi withdraw the original amendment which he offered to strike out the whole proviso? It should be done in order that these matters may be taken up.

Mr. BILBO. I will do that.

The PRESIDING OFFICER. The Senator has withdrawn that amendment and offered one amendment which has already been agreed to, in line 19 and in line 23, to strike out "five" and insert "seven and one-half."



Mr. BILBO. With the permission of the Senate I shall read the amendment I want to offer, beginning on line 22:

*Provided, however,* That the number of acres allotted for any family cultivating less than seven and a half acres of tilled land during either of the five preceding seasons shall be the larger number of acres that was cultivated in either of such season, such production shall be his allotment.

That is the substance of it.

Mr. ELLENDER. Mr. President, I understand that the Senator from Mississippi has accepted the suggestion I made a minute ago; that is, that on line 23, between the words "acres" and "during", the words "of tilled land" to be added.

The PRESIDING OFFICER. No such amendment has yet been proposed.

Mr. ELLENDER. I offer that amendment.

The PRESIDING OFFICER. The question is on the amendment to the committee amendment offered by the Senator from Louisiana, which the clerk will state for the information of the Senate.

The CHIEF CLERK. On page 35, line 23, after the word "acres", it is proposed to insert "of tilled land."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the Senator from Mississippi will be stated.

The CHIEF CLERK. On page 35, line 23, it is proposed to strike out "two" and insert "five."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

Mr. BARKLEY. Mr. President, I suggest that the word "either", in line 23, should be changed to "any." That has been suggested, but no one has offered it as an amendment. I offer it as an amendment.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Kentucky to the committee amendment will be agreed to.

Mr. OVERTON. Mr. President, I think the committee amendment should be further perfected. With that purpose in view I suggest to the Senator from Mississippi that he offer this amendment. If he does not do so, I shall. On page 35, line 25, strike out the words "either of" and insert "any."

Mr. BILBO. I shall offer it, because that is just perfecting the committee amendment.

Mr. McKELLAR. The language will not then be right, because the word in the bill is "season."

The PRESIDING OFFICER. Does any Senator offer the suggested amendment?

Mr. OVERTON. I offer it.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Louisiana [Mr. OVERTON] to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. McKELLAR. The word "season" should be "seasons." I offer an amendment in line 25 to strike out the word "season" and insert the word "seasons."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee to the committee amendment.

The amendment to the amendment was agreed to.

Mr. McNARY. Mr. President, let the clerk read the committee amendment as it has been amended so far.

The PRESIDING OFFICER. The clerk will read the committee amendment on page 35, subsection (1), as it has been amended.

The Chief Clerk read as follows:

(1) By allocating  $7\frac{1}{2}$  acres to each such farm for each family engaged thereon as owner, share tenant, tenant renter, or share-cropper in the production of cotton on such farm: *Provided, however,* That the number of acres allotted for any family cultivating less than  $7\frac{1}{2}$  acres of tilled land during any of the five preceding seasons shall be the larger of the number of acres that was cultivated in any such seasons, such production to be determined in accordance with regulations issued by the Secretary.

The PRESIDING OFFICER. Without objection, the paragraph as amended will be agreed to.

The clerk will state the next committee amendment.

The next amendment of the Committee on Agriculture and Forestry was, on page 36, line 19, to insert the following:

(e) If the quantity of cotton produced on the fixed number of acres exceeds the quantity specified, as hereinabove provided, the quantity so produced shall prevail as the national marketing quota and all of it may be marketed in interstate and foreign commerce.

Mr. OVERTON. I offer an amendment which lies on the desk and ask that it be read.

The PRESIDING OFFICER. The amendment of the Senator from Louisiana will be stated for the information of the Senate.

The CHIEF CLERK. On page 36, line 6, after the words "in such year", it is proposed to insert a colon and the following:

*Provided, however,* That the lands devoted to crops for market other than cotton shall be excluded in determining tilled lands under this subsection (2).

The PRESIDING OFFICER. Without objection, the vote whereby paragraph (2) on page 36 was adopted will be reconsidered, and the question is on the amendment offered by the Senator from Louisiana to the amendment of the committee.

Mr. GEORGE. May I inquire if the amendment proposed by the Senator from Louisiana has been printed?

Mr. OVERTON. The amendment has been printed and is on the desk of the clerk.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. MILLER. I understood that the amendment offered by the Senator from Louisiana is to paragraph (2) on page 36, which is intimately connected with subsection (1) on page 35, which was passed over.

Mr. OVERTON. The statement made by the Senator from Arkansas is correct; and if it is desired by the Senator from Arkansas or any other Senator that the amendment which I propose shall be passed over until the amendment in line 5 on page 35 has been considered, it will be agreeable to me.

Mr. MILLER. I think it should be passed over, Mr. President.

The PRESIDING OFFICER. Is there objection to passing over paragraph (2) on page 36? The Chair hears none; and, without objection, that paragraph will be passed over.

Without objection, the other paragraph—paragraph (1) on page 35, as amended and read—will be agreed to.

The question is on agreeing to the committee amendment, paragraph (e) on page 36.

The committee amendment was agreed to.

The next amendment was, on page 36, after line 23, to insert a new paragraph, as follows:

(f) Not in excess of 3 percent of the national marketing quota apportioned to any State may be allotted and apportioned to farms and areas currently producing cotton for the first time during the last 10 years. Such apportionments shall be made under regulations to be adopted by the Secretary.

The amendment was agreed to.

The next amendment was, on page 37, after line 4, to insert:

SEC. 32. (a) Whenever, after due notice and opportunity for public hearing to interested parties, the Secretary determines that the national marketing quota then in effect does not make available a normal supply of cotton, the Secretary shall increase such national marketing quota so as to make available during the marketing year a normal supply.

The amendment was agreed to.

The next amendment was, on page 37, after line 10, to insert:

(b) If, by reason of drought, war, or other national emergency, or increase in exports, the Secretary has reason to believe that the national marketing quota should be increased or suspended, then the Secretary shall proclaim that fact and, after due notice and opportunity for public hearing to interested parties, shall to the extent necessary to meet such emergency increase the farm marketing quotas within any production area, or suspend marketing quotas. No farm marketing quota for any farm shall be reduced after an increase pursuant to this subsection.



Mr. ASHURST. Mr. President, I wish not to prolong discussion of the bill, but subsection (b), in my judgment, does the following: It says to the Secretary, "Do as you please. If, in your judgment, there is a drought, a war"—and it does not say where—"or other national emergency, you may prescribe the quotas."

In one phase of the bill we say the Secretary must not do this or that, and in another phase of the bill we say he may do as he chooses, and he may determine that a contingency has happened. We say, "If, by reason of drought, war"—where?

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. VANDENBERG. Is the Senator not willing to trust the omnipotent judgment of the Secretary of Agriculture?

Mr. ASHURST. That is not the point. I have large confidence in the ability, the sagacity, and the patriotism of the Secretary of Agriculture. It is my habit of mind to have confidence rather than to suspect my fellow citizens. But do Senators wish to give this vast power to any person? I think not. "If by reason of drought, war"—where? We are proposing to give to the Secretary the power to declare that a war exists somewhere, which power we have been trying to avoid giving to anyone.

I shall not say anything further than to point out that it is provisions like this, words of this character, where the departments find the power granted to them to do the very things Congress does not want them to do or have the power to do. Arizona has had experience with reference to departmental action relative to cotton. It is not an offense to say, "You cannot read in the dark," and it is no reflection upon a departmental official to decline to grant him such power.

I have said all that I can say. The language of this provision is about as nearly complete authority as a parliamentary body could grant to any official.

Mr. BYRNES. Mr. President, I am impressed by what the Senator from Arizona has said, and I should like to inquire of the Senator from Alabama [Mr. BANKHEAD] whether he insists upon the adoption of the section; and if so, what are his views with reference to it?

Mr. BANKHEAD. Mr. President, the paragraph was included merely for flexibility in the event of an emergency. I do not think it is particularly valuable and I have no objection to striking it out.

Mr. ASHURST. I hope the matter may be stricken out.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was rejected.

The PRESIDING OFFICER. The next amendment will be stated.

The next amendment of the Committee on Agriculture and Forestry was, on page 37, after line 20, to insert a new paragraph, as follows:

Sec. 33. (a) The wilful marketing in interstate or foreign commerce of any cotton produced on a farm for which a quota has been established in excess of the quantity produced on such acreage is hereby prohibited. Ginning such cotton and selling it creates a prima facie presumption that such cotton was marketed in interstate or foreign commerce in violation of this title.

Mr. HATCH. Mr. President, I desire to offer an amendment to that particular paragraph of the section.

The PRESIDING OFFICER. The amendment will be reported for the information of the Senate.

The CHIEF CLERK. On page 37, line 24, after the word "prohibited", it is proposed to insert the following:

Unless prior to such marketing (1) the Secretary shall have, under section 7, released cotton from marketing quota restrictions, or (2) the farmer shall have absorbed such excess marketing through diverting from the production of cotton an acreage, the normal production of which equals or exceeds the amount of such excess marketing.

Mr. HATCH. Mr. President, I may say in explanation that the bill as drawn in this particular section would prohibit the sale of cotton grown on excess acreage. The bill does not make any provision for any disposition of the cotton so grown. It freezes it completely, and nothing can ever be done with that excess cotton.

This is not original with me. Someone from the Department called it to my attention, and the amendment was drawn so as to provide a method by which such excess cotton might be lawfully disposed of.

Mr. BANKHEAD. Mr. President, there is just one statement of the Senator that I want to correct. The farmer could hold this cotton and use it for next year's allotment.

Mr. HATCH. That is the very point on which the bill is not clear and the amendment would make it absolutely clear.

Mr. BANKHEAD. I do not know that I have any objection to the second part of the Senator's amendment.

Mr. HATCH. It was drawn by the Department and not by me.

Mr. BANKHEAD. Suppose we let it go over until tomorrow?

Mr. HATCH. May we have paragraph (a) go over until tomorrow?

Mr. BYRNES. Mr. President, I suggest that the Senator's request is reasonable and that we let the entire paragraph go over.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico that paragraph (a) of section 33 go over until tomorrow? The Chair hears none, and it is so ordered. The clerk will state the next amendment.

The next amendment of the Committee on Agriculture and Forestry was, on page 38, after line 2, to insert a new paragraph, as follows:

(b) Any person knowingly purchasing or selling cotton marketed in violation of subsection (a) shall pay a penalty of 75 percent of the purchase price of the cotton. Such penalty shall accrue to the United States.

The amendment was agreed to.

The next amendment was, on page 38, after line 6, to insert a new paragraph, as follows:

(c) Persons who knowingly sell cotton grown on acreage not included in an acreage allotment shall not be eligible for any payments under the Soil Conservation and Domestic Allotment Act nor under this title.

All persons applying for any payment of money under the Soil Conservation and Domestic Allotment Act as amended or under this title shall file with the application a statement verified by affidavit that the applicant had not knowingly sold any cotton during the current year produced on any land other than the acreage allotted to the applicant, and that he will not during such crop year sell any cotton produced on acreage other than that allotted to the applicant. Any person who knowingly swears falsely to the facts above stated shall be guilty of perjury.

The Secretary shall provide by regulations for the identification of cotton produced on the allotted acreage in such way as to afford aid in discovering and identifying cotton sold or offered for sale which was not produced on acreage included in any farm allotment. Producers who sell cotton produced on land not included in such producers' allotted acreage shall be ineligible for Government cotton loans during such marketing year.

The amendment was agreed to.

The next amendment was, on page 38, after line 3, to insert a new paragraph, as follows:

(d) The several district courts of the United States are hereby vested with jurisdiction specifically to enforce the provisions of this title. If and when the Secretary shall so request, it shall be the duty of the several district attorneys in their respective districts, under the direction of the Attorney General, to institute proceedings to collect the penalties provided for under this section. The remedies provided for herein shall be in addition to, and not exclusive of, any of the remedies or penalties under existing law.

The amendment was agreed to.

The next amendment was, on page 39, after line 12, to insert a new section, as follows:

Sec. 34. The Secretary shall provide, through the State, county, and local committees of farmers hereinafter authorized for the making of allotments to farms of the national marketing quota and, when legally authorized to do so, apportion a number of acres from which cotton produced may move in interstate or foreign commerce, and for measuring all farms and ascertaining whether an excess over the apportionment of any farm under the national marketing quota has been planted to cotton. If an excess of planted-to-cotton acreage is found on any farm, the committee shall promptly file with the State committee a written report stating the total acreage in cultivation and the acreage then planted to cotton.

The amendment was agreed to.



The next amendment was, at the top of page 40, to insert:

Sec. 35. The Commodity Credit Corporation is hereby authorized and directed to extend the maturity date of all notes evidencing a loan made by that Corporation on cotton produced during the crop year 1937-1938 from July 31, 1938, to July 31, 1939.

The Corporation is further authorized and directed to waive its right to reimbursement from warehousemen accruing because of the improper grading of cotton as provided in the loan agreement. Except insofar as herein specifically modified, all the terms and conditions of the loan agreement shall remain applicable.

Mr. McKELLAR. Mr. President, I ask the Senator from Alabama just what that means.

Mr. BANKHEAD. Mr. President, this amendment was offered by the senior Senator from South Carolina [Mr. SMITH], the chairman of the Committee on Agriculture and Forestry.

Mr. McKELLAR. I refer to the provision reading:

The Commodity Credit Corporation is hereby authorized and directed to extend the maturity date of all notes evidencing a loan made by that Corporation on cotton produced during the crop year 1937-1938 from July 31, 1938, to July 31, 1939.

Is not that looking a long way into the future?

Mr. BANKHEAD. The senior Senator from South Carolina is in the Chamber, and I will refer the Senator to him.

Mr. SMITH. Mr. President, in respect to the matter to which the Senator has called attention, there is now in course of preparation an amendment which I think will take care of this feature.

Mr. McKELLAR. I ask that the amendment go over until tomorrow.

The PRESIDING OFFICER. Without objection, section 35 will be passed over.

Mr. BANKHEAD. Mr. President, a little while ago the Senator from New Mexico [Mr. HATCH] tendered an amendment which he said was prepared by the Department, and which we did not understand, but we do understand it now. I ask that that be taken up at this time.

The PRESIDING OFFICER. Is there objection to returning to the paragraph on page 37 involved in the amendment? The Chair hears none, and the Secretary will state the amendment.

The CHIEF CLERK. In the amendment of the committee on page 37, line 24, after the word "prohibited", it is proposed to insert the following:

Unless prior to such marketing (1) the Secretary shall have, under section 7, released cotton from marketing quota restrictions, or (2) the farmer shall have absorbed such excess marketing through diverting from the production of cotton an acreage, the normal production of which equals or exceeds the amount of such excess marketing.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. HATCH. Mr. President, I desire to call the attention of the Senator from Alabama to another matter before we pass from this particular section. From a reading of it another thing has come to my mind, and I desire to call it to the attention of the Senator from Alabama. In lines 24 and 25 I find the words "Ginning such cotton and selling it creates a prima facie presumption." It would take both ginning and selling to create the presumption. I have in mind that in some sections of the country cotton is largely sold in the seed. Has the Senator from Alabama given any consideration to that?

Mr. BANKHEAD. Yes. My thought was that before the producers could take it into the channels of interstate commerce they had to gin it and sell it.

Mr. HATCH. I do not quite agree with the Senator in that regard.

Mr. BANKHEAD. Under this program we are limited to the regulation of commerce and getting the product into condition to move it in commerce. I thought it was best to take this precaution, to be on the conservative side, to provide that both things must concur, namely, that the ginning must be done and that the cotton must be sold, because the producers cannot move it in interstate commerce effectively until they gin it.

Mr. HATCH. Mr. President, I merely desired to call this to the attention of the Senator from Alabama because it occurs to me that the bill as drawn leaves a wide-open loophole to people by which to escape every penalty which has been provided in the bill. Cotton can be and is transported across State lines and sold in the seed very frequently in the western part of the country, as the Senators from Texas and Oklahoma and States in that section know. I do not know about Alabama.

I am calling this to the attention of the Senator from Alabama to ascertain whether he desires to consider it in perfecting his bill, and in order that it may be considered I ask that this paragraph go over until tomorrow.

Mr. BANKHEAD. I have no objection to that.

The PRESIDING OFFICER. Without objection, the paragraph will be passed over.

Mr. POPE. Mr. President, I desire to have printed a proposed amendment for the benefit of Senators, the amendment relating to the matter of ensilage in connection with dairy practices.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

#### EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### REPORTS OF COMMITTEE ON THE JUDICIARY

Mr. LOGAN, from the Committee on the Judiciary, reported favorably the nomination of FRED M. VINSON, of Kentucky, to be an associate justice of the United States Court of Appeals for the District of Columbia, vice Charles H. Robb, retired.

Mr. BURKE, from the Committee on the Judiciary, reported favorably the nomination of Henry White Edgerton, of New York, to be associate justice of the United States Court of Appeals for the District of Columbia, vice D. Lawrence Groner.

Mr. McCARRAN, from the Committee on the Judiciary, reported favorably the nomination of Joseph R. Jackson, of New York, to be associate judge of the United States Court of Customs and Patent Appeals, vice Finis J. Garrett, nominated to be presiding judge of that court.

Mr. KING, from the Committee on the Judiciary, reported favorably the nomination of John P. McMahon, of the District of Columbia, to be judge of the police court for the District of Columbia.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the first nomination on the Executive Calendar.

#### THE JUDICIARY

The legislative clerk read the nomination of John H. Druffel to be United States district judge for the southern district of Ohio.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

#### UNITED STATES HOUSING AUTHORITY

The legislative clerk read the nomination of Nathan Straus, of New York, to be Administrator of the United States Housing Authority.

Mr. VANDENBERG. Mr. President, I desire to make a brief statement regarding the nomination of Mr. Straus, of New York, to be Administrator of the United States Housing Authority. I make the statement in fairness to Mr. Straus, as well as in fairness to the protest which I tentatively filed with the committee when his nomination was reported to the Senate a few weeks ago.

One objection which was urged to the eligibility of Mr. Straus was that he could not function under the terms of the law in the administration of a housing project in which he was a stockholder, as is the continuing case with the housing project known as Hillside Homes.

Mr. Straus and his counsel readily admit this infirmity, and have avoided it by filing a letter with Secretary of the



Interior Ickes to the effect that any problem involving Hillside Homes will not be determined by Mr. Straus, but will be referred to the Secretary direct. That point, however, is incidental.

The larger question involved is the question of policy in handling housing projects. Mr. Straus was the promoter and builder of a very famous housing project in New York known as Hillside Homes. I think perhaps it is one of the largest in the country. It is built on a portion of what was formerly a farm in the Bronx area in New York City on the Boston Post Road. It is built on the farm which Mr. Straus inherited from his father.

Without going into any of the details, the point at issue, the point in controversy originally, turned on the fact that after Mr. Straus had obtained \$5,000,000 from P. W. A. by way of a loan in respect to this low-cost housing project, and after he had located this project on his own farm, or on a portion of it, he withheld from the transfer a strip of land 100 feet wide across the entire front of the project, retained it to himself, and subsequently developed it as a private enterprise, after the housing project had created a community at that point.

When this matter first came to my attention I was completely shocked by the contemplation that a housing project could thus mingle what seemed to me to be a private interest with a public interest; in other words, that Government money could be used to create an enormous housing project upon the one hand, and that the creator of the project on the other hand could reserve unto himself 100 feet of land in front of it which he subsequently could develop to his own personal profit. It did not occur to me that there could be any defense for such a thing.

On that basis I asked the committee to hear Mr. Straus. The able junior Senator from Utah [Mr. THOMAS] arranged the session yesterday, and Mr. Straus appeared. Mr. Straus dealt with the matter with complete candor. He freely accepted the facts as I have stated them; namely, that he did withhold the 100-foot strip in front of the project, that he did develop it for his own personal gain, if possible, and he stated that his only embarrassment was that the venture had not been profitable, and that he had to concede that he had not been able to make any money out of it.

But, Mr. President, he also presented a philosophy of action which was entirely new to me, but which I was immediately bound to concede as entirely persuasive, and inasmuch as this matter had been bruited about in the press so much, it seemed to me that it would be worth while, so far as I am concerned and so far as Mr. Straus is concerned, to settle it once and for all.

Mr. Straus takes the position—and I repeat that it is a persuasive position—that if you have any hope of interesting large private investment in a large low-cost housing project on land which is to be purchased cheap enough to permit an appropriate housing enterprise, you must permit an adjacent development in the interests of the private parties themselves.

Let me put that differently. I should say Mr. Straus presents the proposition that you must choose one of these two alternatives: Either you must buy all of the land at a high price, which may be too high to permit of the construction of a low-cost housing project, or you must permit the sale of a portion of the land at a low cost, and then permit the adjacent development as a private project by way of compensation to the owner of the sum total of the land.

This is what Mr. Straus did. He sold at a very low figure for the Hillside project that portion of his farm which is used for housing. I think it was demonstrated that it is probably the lowest square-footage price of any housing project of a major character in the United States. I think it is fair to say, and I am anxious to be the one to say it, that a powerful argument may be made in behalf of the theory that it is to the advantage of the housing project to purchase land at a low cost and permit the vendor to compensate himself through the development of the adjacent facilities. It is upon that theory that Mr. Straus proceeded; and I repeat

that while it was a novel philosophy to me, it certainly can be defended with a powerful argument.

I am still of the unregenerate opinion that it would be far preferable in connection with these housing projects that all of the land in a common project should be developed for the benefit of the project and as a common whole.

On the strength of the situation as I have described it—and I think I have fairly presented the situation—I withdrew any objection I had to Mr. Straus' confirmation. I stated to Mr. Straus that I would make this statement upon the floor, and that I would support his confirmation.

Mr. THOMAS of Utah. Mr. President, I am very happy that the Senator from Michigan [Mr. VANDENBERG] made the statement that he did. I am glad to be able to report to the Senate, in presenting the nomination of Mr. Straus, that the committee stood 100 percent in favor of his confirmation.

I should also like to say that the committee passed upon the worthiness of Mr. Straus. As far as his particular theories as they represent his actions in regard to the Hillside property are concerned, we, of course, are in hearty agreement with him and with what the Senator from Michigan said. Probably this development will be one unique in the history of housing in the United States.

Mr. President, we did not pass upon Mr. Straus' philosophy of housing, and we trust that his philosophy of housing is not limited entirely to the theory advanced in this particular project. Housing in America must be a very complex affair, because conditions are different almost everywhere.

We trust, though, that in case conditions may be found similar to those of the Hillside project Mr. Straus will not be at all backward in moving in identically the same way that he moved in the development of that project. As I have said before, we cannot expect to have very many projects identical.

We did not pass upon housing philosophy. We expect Mr. Straus to know that he must carry on his administration in conformity with the housing law, and we trust that he will develop very many different philosophies in regard to housing in America.

Mr. WAGNER. Mr. President, I want to thank the senior Senator from Michigan [Mr. VANDENBERG] for his statement regarding Mr. Straus' business enterprise. I was prepared to explain the enterprise as I knew it, and have known it, but the Senator has explained it better than I can.

There is just one thing that, perhaps, might be added. Mr. Straus did find a part of the land which was not taken by the limited-dividend corporation at the time the construction took place. It was vacant and adjoined the commercial enterprise. Mr. Straus leased to the Hillside Corporation, at a rental of \$1 per year, that vacant land so that it might be utilized for recreation by the children living in the project and in those houses. I think a close examination will show that Mr. Straus disclosed his philanthropic attitude in this matter as he did in other matters.

I know Mr. Straus did not seek this place, but the office sought him. New York was proud to give his services to the country, and I am sure that when the time comes for appraisal none of us will regret that we have confirmed his nomination.

I happen to have known Mr. Straus from his boyhood. His family name of Straus is a household word among all the underprivileged and sickly and poor in the city of New York, as my colleague is able to testify from his familiarity with the activities of Nathan Straus in behalf of the unfortunate poor in New York. I know he came in contact with them during his service as commissioner of health in New York City.

This boy grew up holding firm to the great name of Straus established by his father and relatives. He has devoted most of his time to philanthropic purposes and to public service. He served for two terms as a State senator and, by the way, was elected both times in a district that had been overwhelmingly Republican. The people expressed their confidence in his integrity and capacity by electing him overwhelmingly on each occasion.



In the State legislature he had an outstanding record, again in a field where he was advocating successfully legislation to build a better day for the unfortunate and underprivileged. He devoted a great deal of study to the question of housing, particularly slum clearance. On a number of occasions he went to European countries at his own expense, remaining there 1 full year on one trip, in order to study the methods used by the other countries which are so far ahead of us in the construction of houses for the underprivileged and in the clearance of slums.

Mr. Straus is a man of the highest character, a man of exceptional ability. I am one of a great number who is very happy that he saw his way clear to accept this office when it was proffered by the President of the United States. I have the greatest confidence in his integrity and capacity, and sincerely believe that if confirmed his conduct of the office of Administrator will justify that confidence to the fullest extent.

Mr. COPELAND. Mr. President, it would be most ungenerous of me if I did not say a word about this matter.

Mr. Nathan Straus and Mrs. Straus, father and mother of the nominee, were close friends of mine. I think Mr. Nathan Straus, the father, was the greatest philanthropist our generation has known in America. The importance of what he did for child life in our country is beyond all measure. The work of Mr. Nathan Straus, Sr., extended far beyond the borders of our country.

He talked with me 20 years ago about what he hoped to do in Palestine and he did as a matter of fact establish the Straus Medical Center in Jerusalem and at another point, Tel Aviv, in Palestine. The Senator from Vermont [Mr. AUSTIN] and I were privileged last year to visit both those institutions.

The nominee, Mr. Nathan Straus, Jr., has been brought up in this atmosphere of philanthropy. The father gave until he was poor in money, and the son has witnessed good works all his life. I have no question that he will continue in his Federal office the same high degree of excellence that he has shown in his public work in the city and State of New York.

I wish to say to the Senator from Michigan [Mr. VANDENBERG] that I think he has been most generous today in what he has said and in his attitude in the matter.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Mr. Straus? Without objection, the nomination is confirmed.

Mr. COPELAND. Mr. President, the matter having been held over under these circumstances, and now happily concluded, I request that the President may be notified.

The PRESIDING OFFICER. The Senator from New York asks unanimous consent that the President be notified. Is there objection? The Chair hears none, and the President will be notified.

That concludes the Executive Calendar.

#### RECESS

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 36 minutes p. m.) the Senate took a recess until tomorrow, Thursday, December 9, 1937, at 12 o'clock meridian.

#### CONFIRMATIONS

*Executive nominations confirmed by the Senate December 8 (legislative day of November 16), 1937*

##### UNITED STATES DISTRICT JUDGE

John H. Druffel to be United States district judge for the southern district of Ohio.

##### UNITED STATES HOUSING AUTHORITY

Nathan Straus to be Administrator of the United States Housing Authority.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, DECEMBER 8, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We draw near to Thee, our Father, not as unto a fearful and an avenging God but to One who is touched with a feeling of our infirmities. To everyone that heareth, and to everyone that will, the call is to life, hope, and joy. We thank Thee for the providence which has kept us through another night and for the miracle of dawning light flushing the east with the prophecy of day. We praise Thee for the fresh life coursing through our weakness and for the power to stand erect. We bless Thee for the noble men and women whose generous hearts have lit the altar fires of philanthropy in many a dark and desolate home. Hear our supplication, O Lord our God; all that is in the heaven and the earth is Thine. Riches and honor cometh from Thee, and Thou reignest over all. We therefore thank Thee and praise Thy glorious name. In the dear Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. WILCOX. Mr. Speaker, I ask unanimous consent that on tomorrow, immediately after the reading of the Journal and the disposition of business on the Speaker's desk, I may be permitted to address the House for 35 minutes. In the event the farm bill has not been disposed of prior to tomorrow, I ask that I may be permitted to address the House for 35 minutes immediately after the disposition of that measure.

The SPEAKER. The Chair calls the attention of the gentleman from Florida to several previous orders of the House for gentlemen to speak under the same contingencies.

Mr. WILCOX. My request is made subject to prior orders, of course, Mr. Speaker.

The SPEAKER. The gentleman from Florida asks unanimous consent that on tomorrow, after disposition of matters on the Speaker's table, and following the legislative program of the day and the special orders heretofore entered, he may be permitted to address the House for 35 minutes. Is there objection?

There was no objection.

Mr. SHANNON. Mr. Speaker, I ask unanimous consent that after the disposition of the business of the House on Friday and following the remarks of the gentleman from Michigan [Mr. HOFFMAN] I may be permitted to address the House for 15 minutes.

The SPEAKER. The gentleman from Missouri asks unanimous consent that on Friday, after the disposition of matters on the Speaker's desk and the legislative program of the day, following the remarks of the gentleman from Michigan [Mr. HOFFMAN] he may be permitted to address the House for 15 minutes. Is there objection?

There was no objection.

#### EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by including a letter from William Green, president of the American Federation of Labor, on the wage and hour bill, together with a proposed bill supported by the American Federation of Labor.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

Mr. JONES. Mr. Speaker, I regret to object, but there is a Member here who wants 3 minutes, and I have told him I would rather he would wait until we get into the farm bill and then seek recognition.